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USSR SENDS STATEMENT ON PRC TREATY NEGOTIATIONS

OW190445Y Tokyo KYODO in English 0440 GMT 19 Jun 78 OW

[Text] Tokyo, 19 Jun (KYODO)--The Soviet Union Monday issued a statement clarifying its objection to the proposed conclusion of a Japan-China Peace and Friendship Treaty.

The Soviet statement was handed by Soviet Ambassador Dmitriy Polyanskiy to Vice Foreign Minister Kisesuke Arita in a meeting held at the Foreign Ministry. According to Foreign Ministry sources, the Soviet statement expressed Moscow's hope that Japan would not take measures which might result in a reversal of development of Japan-Soviet relations.

It pointed out that Chinese leaders had taken a hostile attitude toward the Soviet Union, and that Japan was being tied to China's anti-Soviet foreign policy line. This runs counter to peace and security of the Far East, it pointed out. The statement also reiterated the Soviet Union's past stand in respect to the proposed treaty.

The statement said the Soviet Union has noted that China was aiming to direct the treaty against it and added it will be forced to revise its relations with Japan if the treaty was concluded. It expressed strong apprehension over the treaty being transformed into an "alliance against the Soviet Union," claiming that Japan, whether it likes it or not, will be linked with the diplomatic line of Peking (through the treaty).

According to the sources, Arita refuted the Soviet contention, saying that the Japan-China Peace and Friendship Treaty was designed only to develop friendly relations between the two countries and was not aimed at any third country. He sought Moscow's understanding of Japan's intention to go ahead with conclusion of the treaty. The sources said that Monday's Soviet statement summarized its past criticisms of the proposed conclusion of the Japan-China Peace and Friendship Treaty.

The statement was apparently timed at the return to Tokyo the same day of Japanese Ambassador to Peking Shoji Sato for consultations with the home government in preparation for the resumption of the peace treaty negotiations scheduled for early July.

Moscow has repeatedly criticized Japanese plans to conclude a peace and friendship treaty with China. In 1975, when the first phase of the negotiations showed signs to progress, Moscow launched various maneuvers to check the move, including the issuance of a government statement and the sending of a personal letter by Communist Party Chief Leonid Brezhnev to Prime Minister Takeo Miki.

'Unofficial' Text of Statement

OW190629Y Tokyo KYODO in English 0620 GMT 19 Jun 78 OW

[Text] Tokyo, 19 Jun (KYODO)--Following is a full text of the Soviet Government statement in an unofficial translation.

According to a statement made by official Japanese sources, the Japanese Government decided to resume the negotiations on a peace and friendship treaty with the Chinese Government. Naturally it is up to Japan itself how it should handle its relations with China, including the question of the proposed treaty. At the same time, however, it is only natural that the Soviet Union cannot be an onlooker regarding a matter that may directly affect its own interest.

The Soviet side has more than once clarified its view of the true nature of the Sino-Japanese treaty and the Japanese Government is well aware of it. The Soviet Union has specifically called the Japanese Government's attention to the fact that Peking leaders are attempting to bring Japan into an anti-Soviet line by concluding a treaty aimed against the Soviet Government. Furthermore it has been stated that should a treaty containing a clause directed against the Soviet Union be signed, the Soviet side would have to draw the necessary conclusion and make a necessary amendment to its own policy regarding its relations with Japan.

The recent developments show that the hostility of Chinese leaders toward the Soviet Union has been exalted to the height of a national policy and unleashed in an increasingly explicit way. China is stepping up a policy of undermining progress in detente, fanning the menace of war and plotting conflicts between nations.

Under these circumstances, Japan, whether it likes or not, will be linked with the diplomatic line of Peking. This would run counter to the cause of maintaining peace and security in the Far East.

The Soviet Government hopes that the Japanese Government will pay due consideration to the future relations between the Soviet Union and Japan and refrain from any steps that may hinder the development of Russo-Japanese relations and reverse the positive aspects of the bilateral relations which have been attained through mutual efforts over a long period.

'Observers' Assess Statement

OW191033Y Tokyo KYODO in English 1020 GMT 19 Jun 78 OW

[Text] Tokyo, 19 Jun (KYODO)--Observers here believe the Soviet statement issued here Monday opposing conclusion of the proposed Japan-China peace treaty was not a surprise to the Japanese Government.

The government had probably anticipated such a Soviet action, judging from the Russians' repeated protests and warnings against the Sino-Japanese treaty since Japan and China started the treaty talks in 1975, they said.

Referring to the controversial "antihegemony" issue, the observers said the interpretations of this concept by the Soviet Union and Japan would not be compatible with each other under the present situation. The Chinese-proposed term "antihegemonism" is a clearly anti-Soviet word to Moscow under the current Sino-Soviet confrontation, the observers said, in whatever way Japan tries to explain that the concept is a general one not aimed against third countries.

At every opportunity in the past, the Japanese Government tried to persuade the Soviet [Union] that the proposed Sino-Japanese treaty is by no means an anti-Moscow pact and that Japan, therefore, will do its utmost to promote friendly relations with the Soviet Union. By doing so, the government has tried to sign the Japan-China pact as planned with its basic policy of limiting the treaty issue to a Sino-Chinese affair. But, as expected, the Soviet statement warned "whether it likes or not, Japan will be lined with the Chinese diplomatic line" by signing the treaty.

The observers said the Japanese Foreign Ministry appears to believe that the Soviet Union made the statement after judging it impossible to dissuade Japan from signing the Japan-China pact. The ministry takes the Soviet statement as an indication that the Soviet Union will stress strengthening its relations with Japan after the conclusion of the Sino-Japanese pact, the observers said.

Accordingly, the observers said, the government believes the Soviets will not take severer actions which might shake the basic Tokyo-Moscow relations, though the government is keen to Soviet response after the signing of the Japan-China treaty. At the same time, the ministry believes the Soviets will step up diplomatic pressure on Japan amid the escalating Sino-Soviet confrontation, the observers said.

As the first of such pressures, the Moscow government may press Japan to sign a Japan-Soviet good-neighborhood and cooperation treaty, which was proposed to Japan when Foreign Minister Sunao Sonoda visited Moscow in January.

The ministry appears to take the Soviet statement as one step of the move to urge Japan on the matter, the observers said.

TREATY NEGOTIATIONS WITH PRC MAY BE DELAYED

OW190549Y Tokyo KYODO in English 0540 GMT 19 Jun 78 OW

[Text] Tokyo 19 Jun (KYODO)--There may be some delay in resuming Japan-China talks for a peace and friendship treaty, government sources said Monday. A delay was expected because China's Foreign Vice Minister Han Nien-lung has fallen ill, the sources said Monday.

Japan and China were scheduled to reopen treaty talks in Peking around July 3. Japan will be represented by ambassador to China Shoji Sato and China by Han. In this connection, Chief Cabinet Secretary Shintaro Abe told reporters he had confirmed that Han has been hospitalized because of a duodenal disease.

ABE said the government would discuss the treaty issue Wednesday as Ambassador Sato and Foreign Minister Sunao Sonoda were scheduled to return home Monday and Tuesday, respectively.

FUKUDA HOLDS PRESS CONFERENCE ON FOREIGN, DOMESTIC ISSUES

OW171559Y Tokyo JOAK Television in Japanese 0600 GMT 17 Jun 78 OW

[Text of Prime Minister Fukuda's 17 June press conference at his official residence--live]

[Excerpts] [Unidentified reporter] Prime Minister, today we would like to hear your views on various pending political issues, the government's policy tasks, the election of the Liberal Democratic Party president slated for December this year, etc., and we could like to thank you in advance for your cooperation during this 1-hour interview.

First I would like to hear your views on our economic situation. There are some signs of our economic recovery; however, there is also an indication of another new upward movement in the value of the yen. It is very difficult for us to correctly tell where Japan now stands on its way to economic recovery. Could you tell us your views on our actual economic condition?

[Fukuda] Let me answer your question about the actual situation of Japan's economy at a time when the world is still suffering from the aftermath of the "oil shock" which occurred years ago. I believe Japan's economy is now at the end of a long, dark tunnel. It will be able to escape from this tunnel within the year if it continues its current, sure step. Regrettably, no one nation has as yet succeeded in completely recovering from the global, dire, post-oil shock confusion. However, Japan is in the forefront in the course of recovery.

Let us look at the United States. Last year the United States attained a 4.9 percent growth rate. However, because of rising inflation, it is very questionable as to whether the United States can continue its present economic-recovery policies. I believe the chief task now facing the American people is how to cope with inflation. In addition, that country faces another big problem--a huge international payments deficit.

Then, what about West Germany? It attained only a 2.4 percent growth rate last year. It supposedly wants to attain a 3 percent growth rate--only a 3 percent growth rate--this year.

In contrast, Japan attained a growth rate of 5.4 percent last year and plans to reach its 7 percent growth target this year. In fact, Japan is now certainly moving toward this goal. What is more, prices are very stable in Japan. Japan ranks first in price stability throughout the world. Concerning international payments, Japan's trouble is that it has too favorable a status in international incomes.

However, Japan cannot live alone in this world. Therefore, my primary economic target this year is--as I have already told President Carter--to sharply reduce Japan's huge surplus in its international payments. To attain this goal, I believe it is very important to decrease exports. It is also for this end that Japan plans to increase its imports by encouraging "emergency imports," such as imports of enriched uranium and imports of oil, nonferrous metals and other necessary commodities for stockpiling.

To increase imports, Japan sent several missions to the United States and Europe. Japan is also considering various other detailed plans such as aircraft purchases from foreign countries. Yet, restrictions on exports are decisive factors in reducing Japan's surplus in international payments. Whether we like it or not, we have no alternative but to take some restrictive measures with regard to our trade in the face of such huge amounts of surplus payments.

Under these circumstances, my policy is to not allow this year's exports to exceed last year's in terms of quantity. We will try to hold this year's exports down to the level of last year's or a little bit less in terms of quantity.

However, we do not intend to control our economy by this policy. Through talks, agreement has been reached with business circles on this policy. Under normal economic circumstances, a non-increase in export quantity means a non-increase in export value. Under such circumstances, Japan could contribute greatly to improving the international payments situation if it keeps this year's exports to the level of last year's or below in terms of quantity. However, if inflation continues to prevail in the United States and other countries, Japan's efforts to improve the international payments situation will be futile. Even if Japan succeeds in keeping this year's automobile sales to the same level as last year in terms of quantity, a reduction in export value will not be achieved if they are sold at prices 20 to 30 percent higher than last year. With this in mind, I told President Carter, the U.S. cabinet members in charge of economic affairs and the U.S. congressmen when I met them: Along with its efforts to increase imports, Japan will exert utmost efforts to hold its exports to the same level as last year's in terms of quantity or even below. I believe it is your responsibility if Japan fails to reduce its payments surplus despite these efforts. If your inflation continues to prevail, thus forcing you to buy Japan's commodities at higher prices, Japan's efforts to reduce its controversial payments surplus will only prove futile. Please curb your inflation. This is also important for maintaining the dollar's prestige. In response to Japan's efforts to reduce its payments surplus, at your request, please curb your country's inflation, in one way or another.

Under these international circumstances, Japan is faced with the problem--a domestic one--of deciding whether or not a 7 percent growth rate is attainable. During the past 6 months, production has continued to rise. As you know, statistics on the national income in March have been published; the growth rate in March was 10 percent instead of 7 percent. If this rate continues, we will attain a very high rate of growth. But this will not be the case because, as I have just pointed out, the brake will be applied to exports. However, the effects of the 1978 budget will soon begin to be felt.

Furthermore, smooth investments have been made in plant facilities. As a result, the economic states of nonmanufacturing sectors--the power industry in particular--have considerably improved although the manufacturing sector is not in as good a condition. Public consumption is taking a healthy turn.

Judging from all this, I think production will continue to be brisk. If things are produced, they must be sold. The selling and delivery of commodities are just as important as their production. The sales delivery picture is improving more than production. Since sales are exceeding production, inventories will decrease. According to experts, inventory adjustments will be completed by June.

In my opinion, the Japanese economy is in the course of a full-scale upturn for the first time in the 5 years since the oil crisis. But I am not complacent. The general condition of the world economy, including the problem of the value of the dollar, affects Japan very keenly. Therefore, I intend to closely observe the economic situation over the next 2 or 3 months in particular. On the basis of this observation, I will decide whether or not we can reach the point where we can see the end of the tunnel, that is, whether or not we can attain a 7 percent growth rate by the end of this year. If I decide that the attainment of this goal is doubtful, I will take additional steps to attack the problems.

Right now, Director General of the Economic Planning Agency Miyazawa and Minister Without Portfolio Ushiba are traveling abroad. When they return I will convene a meeting of cabinet members in charge of economic affairs in order to pool their knowledge and find ways to tackle the problem of attaining the growth target.

[Question] A meeting of cabinet members in charge of economic affairs is slated for 23 June. Is the main purpose of this meeting to discuss measures for reducing the balance of payments in the black and problems concerning structural recession? Won't the participants discuss the question of whether or not a supplementary budget is necessary?

[Answer] No, they will not. The meeting will deal with current business conditions and a "situation judgment"--so to speak--will be made. The immediate measures to be taken will also be discussed. One of the immediate problems is structural recession. Our economy as a whole is in good condition. But some sectors such as shipbuilding and parts of the textile and aluminum industries are beset by structural recession due to factors peculiar to them; this meeting will discuss measures to be taken for them.

The minister of international trade and industry is suggesting that measures be taken to cope with recession problems in particular regions. The meeting will also take up this question. In addition, it will discuss the question of reducing the balance of payments surplus, which I regard as the most important issue. The meeting will review our efforts to reduce the surplus. I pointed out earlier that the quantity of exports will be reduced. But we also have various problems with regard to imports. The meeting will discuss the extent to which the ideas I have mentioned earlier on reducing the balance of payments surplus have been carried out. The government will proceed to do whatever it can without the Diet's approval. If any measures require legislation or a budget, we will have to convene a special session of the Diet. We will make a final judgment on these measures 2 or 3 months in advance.

[Question] The "temporary measures" law enacted by the recently-ended Diet session are considered insufficient for resolving the aluminum industry, the nonferrous mines, and recession-affected communities. For the time being, do you think the government can supplement this law with administrative measures without waiting for further legislation?

[Answer] Yes, I do.

[Question] You said earlier that, in your judgment, our economy is moving on a smooth course toward attaining a 7 percent growth rate by the end of this year, that is, to a point where we will be able to see the end of the long tunnel. May we take this to mean that our economy will improve to the extent that Japan will be able to announce before the end of the year that its economy has recovered from the recession, before all other nations in the world?

[Answer] If we could soon emerge from the darkness into the light, it would be a great success. I am actually rather conservative. If our nation can emerge from the darkness into the light by the end of this year, then we can sing a song of joy and I will be satisfied.

[Question] Mr Prime Minister, regarding international affairs, the trend of the rising yen value has recurred on the eve of the summit conference of the major industrial nations. This gives rise to the strong possibility that Japan will be asked to take concrete measures to reduce its balance of payments surplus. Therefore, is it not necessary for Japan to clarify its intentions to foreign countries concerning the concrete measures it will take?

[Answer] We have presented very concrete measures. When I last met President Carter, I said in brief: Japan is doing all that needs to be done. It is up to the President and the U.S. cabinet members to evaluate what we have done in terms of figures. As far as Japan is concerned, it is indeed making splendid efforts. We pledged not to exceed last year's exports; we also pledged to attain an annual growth rate of 7 percent. Which country except Japan could realize this high a growth rate? If attainment of this goal becomes doubtful, we will take additional measures to reach it. We will make emergency imports.

In fact, our efforts are beginning to show tangible results. The United States tells us squarely what it wants to say instead of grumbling. European countries, on the other hand, used to make various complaints about Japan's exports. But, so far this year, the situation has radically changed. This year's exports to Japan from EEC member nations have registered a 37 percent increase, whereas Japan's exports to the EEC nations have increased by 17 percent. Thus, our positions have been reversed. EEC nations have said many things but I believe that they have nothing to complain about regarding Japan. Japan is now in a position to say confidently: "Let us make the summit conference a success. Japan has done this much and wants you to do your part."

[Question] We would now like to turn to foreign policy. First of all, I would like to ask about the forthcoming summit conference of major industrial nations. Mr Prime Minister, you plan to attend this conference which is scheduled to open in Bonn on 16 July. As was pointed out earlier, after a lull, the yen value began to rise sharply this week. We feel that this situation will make it more difficult to reduce our balance of payments surplus and the reduction of this surplus is, in a sense, an international commitment. Under these circumstances, countries attending the summit conference are expected to react to the surplus problem in various ways. Will you tell us with what type of determination you will attend the conference and what proposals and appeals you plan to make at the meeting.

[Answer] The summit meeting of major industrial nations will last only 2 days--16 and 17 July. Accordingly, if anyone expects substantial results from the meeting, he will probably be disappointed. The results will be rather abstract although the word "abstract" is somewhat misleading. If the meeting presents a unified stance toward the world economy as a whole, I think the results will be satisfactory.

The topics for discussion will include the issue of attaining growth without inflation, that is, problems concerning business conditions and prices. Trade problems will be another subject; in view of the growing trend toward trade protectionism, the meeting will discuss ways to cope with this problem. Other issues will be the north-south problem and the energy problem in which the peaceful use of atomic energy will mainly be dealt with. In addition, the problem of exchange rates, which was mentioned earlier, will be discussed.

In brief, the summit conference will provide an occasion to adjust views on major issues. At this time, when all countries in the world are faced with considerable economic confusion, I believe it is particularly necessary for them not to simply exchange complaints and grievances. By merely exchanging complaints, they will reach no solution. I stress the need for solidarity and cooperation in order to find solutions to our problems at the talks. I believe the most important thing the meeting should attain is a pledge not to resort to protectionism. If this is done, I think the meeting will be a great success.

Different countries have different problems. At the meeting there will be an exchange of views on matters of general interest. For instance, on the one hand is the view that countries with a favorable balance of payments position should pursue policies aimed at as high a growth rate as possible; on the other hand, countries with an inflationary trend should seek moderate growth. At any rate, because the situation is very serious, it will not help to solve problems if countries hurl charges at each other. If the countries affirm their readiness to solve problems through consultation, I think the meeting will be a success.

[Question] I would like to ask another question. The current Tokyo round of the multilateral trade talks is in a crucial stage on the eve of the summit meeting of major industrial nations. Attention is now focused on the progress of this round. What, in your opinion, is the prospects of success for the Tokyo round?

[Answer] Talks have been energetically conducted between major countries concerned over the past year. My goal is to have the Tokyo round reach a practical solution early next month. If the Bonn summit conference follows this, then it will brighten the atmosphere of the conference. The success or failure of the negotiations will have a very great effect on whether or not the trend toward protectionism is cured. Special envoy Ushiba is currently negotiating with various countries on protectionism. I instructed him to make positive efforts to solve this problem. In all probability, a general solution will be reached at the Tokyo round before the summit conference opens and, with this hope, I want to have the Tokyo round expedite a final solution.

[Question] I would like to ask a question about the Japan-China treaty issue. The Japan-China negotiations are scheduled to reopen in early July. If negotiations at the ambassadorial level progress smoothly, Foreign Minister Sonoda is expected to visit China in the final stages. Would you tell us when Foreign Minister Sonoda will visit China and whether we can assume that his visit will signal an actual settlement?

[Answer] In the initial stages, negotiations will be carried out between a Japanese delegation led by Ambassador Sato and a Chinese delegation headed by PRC Deputy Foreign Minister Han Nien-lung. Although no final agreement has been reached on the timing of the negotiations, diplomatic observers hope that it will be 3 July or thereabouts. If the two negotiating teams make a preliminary settlement or resolve all problems, Foreign Minister Sonoda will probably visit Peking to sign the treaty. If, on the other hand, the two delegations fail to reach a preliminary settlement and leave some questions unsettled, then we cannot rule out the possibility that Foreign Minister Sonoda will be dispatched to Peking to settle the remaining problems. Pending the progress of the negotiations between the two delegations, we will decide what to do in the future.

[Question] Mr Prime Minister, you have stressed time and again that once negotiations are resumed, they should lead to conclusion of the treaty. Would you elaborate on this statement.

[Answer] Some people say that negotiations are one thing and the conclusion of the treaty another. But, in my opinion, negotiations not aimed at concluding the treaty are meaningless. I believe the proposed Japan-China treaty is very important for peace in Asia and in the world. As long as we begin negotiations, it is my sincere hope they will successfully reach a treaty conclusion as soon as possible. However, there are some people who say this treaty issue can be solved in a matter of seconds if Mr Fukuda so decides. I cannot agree with these remarks because Japan has its own position and the treaty can be concluded only when conditions are satisfactory for both parties.

[Question] Allow me to digress....when the time comes for signing the treaty, do you plan to visit Peking yourself or do you plan to invite a top Chinese leader to Japan for the signing?

[Answer] I have not yet considered a visit to Peking myself to sign the treaty. In accordance with common practice, it would be appropriate for either Foreign Minister Sonoda to visit Peking to sign the treaty or for the Chinese foreign minister to come to Tokyo for the signing. We will decide this matter through future talks.

[Question] Some time ago, Mr Prime Minister, you told officials of the New Liberal Club that the Chinese side should make up its mind. What do you mean by that?

[Answer] Sorry, but I do not want to go into that subject, except to say this: I meant to say that it is not Japan's nature to merely sign the Chinese draft and that the treaty can be signed only if it includes terms beneficial to both Japan and China.

[Question] Mr Prime Minister, you (have said) that the Senkaku issue has been settled for the present. But it is feared that the issue may become a big stumbling block when negotiations are resumed. Would you comment on this?

[Answer] The Senkaku Islands are Japan's inherent territory. I believe that from a historical point of view and in view of international recognition, Japan's ownership of these islands is unquestionable. If the Senkaku issue is brought up, Japan will maintain this posture in dealing with the question.

[Question] You said earlier that once negotiations were resumed, a settlement should be sought. I agree, but certain questions still remain: What target date do you, as the highest official of the government, have in mind for the settlement? And how will the timing be affected by the next special session of the Diet? It may be premature to ask these questions, but would you answer them?

[Answer] Once negotiations begin I do not want to see them drag on. If the working-level negotiations reach a settlement, the signing will follow immediately. If these negotiations fail to reach a settlement, a plan to dispatch the foreign minister will be considered. I hope that the negotiations will lead to a settlement without wasting time and dragging on. But the timing of the settlement cannot be predicted because it depends upon the progress of the negotiations.

[Question] I agree. No negotiations can be conducted without a goal. I think that the absence of a target date has given rise to the view in some quarters that negotiations are one thing and conclusion of the treaty another. Would you tell us frankly what target date you have in mind?

[Answer] Needless to say, settlement should be sought at the negotiations. I want the treaty issue--which is in its sixth year--to be settled once and for all. But we have to consider the other party in the negotiations. I cannot answer this question about when the treaty will be concluded.

[Question] As you say, we have to deal with another party. The question is how far the working-level negotiations will go. Generally speaking, they will hit a snag sooner or later. As long as the antihegemony issue remains, China will seek a political settlement of the issue. This brings up the question of when the foreign minister will visit China. Since you seek an early settlement, is it possible that Foreign Minister Sonoda's visit to China will materialize before you depart for the summit conference? Needless to say, this possibility will depend upon the progress of the negotiations and all this is still conjecture. But what plan do you have in mind? Are you contemplating that possibility?

[Answer] If the Chinese side comes to understand the Japanese position and all questions are settled at the working-level negotiations, it will be possible for Sonoda to visit China even before the summit conference. But, until the negotiations begin, no one will be able to tell whether or not they will proceed that smoothly. The treaty issue has dragged on for over 5 years. Therefore, I cannot make a prediction before the opening of the negotiations.

[Question] The Chinese side said that they would welcome Foreign Minister Sonoda's visit to Peking and, in reply, the Japanese Government said it was considering sending a delegation to Peking at an appropriate time. Now the point in question is not working-level negotiations but political negotiations between the foreign ministers of the two countries. This will all depend upon what decisions are made at the bilateral talks.

[Answer] I cannot make any prediction until negotiations are held. A conclusion may be reached on the treaty at the working-level meetings; Then the foreign ministers may sign the treaty. All these things are possibilities. There is no way of knowing what's inside until the lid is opened.

[Question] It is rumored that you will visit the Middle East after the current extraordinary Diet session ends. What will be the purpose of your visit to that region and when are you planning to go?

[Answer] I regard the Middle East as a region of great significance in world politics but, above all, that region is the source of our country's oil supply. Accordingly, I think it is necessary for Japan to establish closer relations with this region. Ever since my cabinet was inaugurated, I have been trying to consolidate good relations with our neighbors and gradually to expand these good relations to include other countries. I don't see any problems in our relations with Australia and New Zealand.

I toured the ASEAN member countries last year and, as a result of this tour, I got the impression that the world highly values Japan's effort to strengthen its relations with the ASEAN. The ASEAN countries and Japan are very close neighbors. It is my belief that no antagonism should exist between the three Indochinese countries and the ASEAN. I plan to gradually deepen our contacts with Vietnam and the other Indochinese countries.

What about our relations with China? Well, we are now trying to settle the treaty issue which has been outstanding for over 5 years. In Japan-Soviet relations, the territorial issue remains unsettled but our two countries are still developing relations in various other areas.

Which part of the world should Japan pay attention to in the future? I think that the answer is India and other countries in that area. Our foreign minister recently visited this area and, as a result, our relations with these countries have further developed. The Bangladesh prime minister and the Nepalese king also have visited Japan.

Which region do we consider next? The Middle East. That region is important to world politics as well as to Japan's oil supply. Hence, I want to tour the Middle East countries and discuss various issues. Some people have recommended that I visit there on my way back from the forthcoming summit meeting. However, since the summit meeting is only 1 month away, there isn't enough time to make preparations for the visit. So this plan has been rejected. But, I think that sometime around early or mid-September--after the week of fast observed in Arab countries--will be appropriate. Tentatively, Egypt, Saudi Arabia and Iran are included in my itinerary. So, if the countries I will be visiting agree, I will embark on a tour of the Middle East countries in early or mid-September.

CONTINUING COVERAGE OF RWANDAN PRESIDENTIAL VISIT

Gifts From Kim Il-song

OW161803Y Pyongyang KCNA in English 1710 GMT 16 Jun 78 OW

[Text] Pyongyang, 16 Jun (KCNA)--The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, presented gifts today to His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, and his wife on an official visit to our country. After seeing round the gifts on display in company with the great leader Comrade Kim Il-song, His Excellency President Juvenal Habyarimana expressed deep thanks for them.

Award for Kim

OW161805Y Pyongyang KCNA in English 1711 GM 16 Jun 78 OW

[Text] Pyongyang, 16 Jun (KCNA)--The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, was awarded the "Grand Cross of National Order of One Thousand Hills," the highest order of the Republic of Rwanda.

A ceremony for awarding the order of the Republic of Rwanda to the great leader was held at the Kumsusan Assembly Hall on June 16. Present on the occasion were His Excellency President Juvenal Habyarimana and his wife, their entourage and Nyandwi Tharcisse, ambassador extraordinary and plenipotentiary of the Republic of Rwanda to the DPRK. On hand were Comrade Pak Song-chol and his wife, Comrade Kye Ung-tae, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, Comrade Kim Man-kum, Comrade Pyon Chang-pok, and personages concerned and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda.

At the ceremony, His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, conferred the "Grand Cross of National Order of One Thousand Hills," the highest order of the Republic of Rwanda, upon the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea.

Orders of the Republic of Rwanda were also awarded to leading functionaries and personages concerned of our country.

Awards for Habyarimana, Party

OW161621Y Pyongyang KCNA in English 1612 GMT 16 Jun 78 OW

[Text] Pyongyang, 16 Jun (KCNA)--An order of the Democratic People's Republic of Korea was awarded to His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development.

A ceremony for awarding the order was held at the Kumsusan Assembly Hall on June 16. The great leader Comrade Kim Il-song and his wife attended the ceremony. Also present there were Comrade Pak Song-chol and his wife, Comrade Kye Ung-tae, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, Comrade Pyon Chang-pok, and personages concerned and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda.

His Excellency President Juvenal Habyarimana and his wife and their entourage, and Nyandwi Tharcisse, ambassador extraordinary and plenipotentiary of the Republic of Rwanda to our country, were present at the ceremony.

The great leader Comrade Kim Il-song awarded the Order of National Flag First Class to His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development. Orders and medals of the Democratic People's Republic of Korea were also awarded to the entourage of His Excellency President Juvenal Habyarimana and his wife.

16 June Luncheon

OW161804Y Pyongyang KCNA in English 1712 GMT 16 Jun 78 OW

[Text] Pyongyang, 16 Jun (KCNA)--The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, and his wife arranged a luncheon today in honour of His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, and his wife on an official visit to our country. The luncheon passed in a warm atmosphere.

Visit to Mangyongdae

OW161611Y Pyongyang KCNA in English 1604 GMT 16 Jun 78 OW

[Excerpts] Pyongyang, 16 Jun (KCNA)--His Excellency Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, and his entourage visited Mangyongdae, the cradleland of revolution, on June 16.

The guests were accompanied by Comrade Pak Chong-chol and his wife, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, and personages concerned and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda. They were cordially met by Comrade Kim Man-jum and personages concerned in front of the native home in Mangyongdae.

Visit to Children's Palace, Factory

OW171729Y Pyongyang KCNA in English 1714 GMT 16 Jun 78 OW

[Excerpts] Pyongyang, 16 Jun (KCNA)--His Excellency Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, and his entourage inspected today the Pyongyang Students' and Children's Palace.

The guests were accompanied by Comrade Pak Song-chol and his wife, Comrade Ho Tam, Comrade Chong Chun-ki and his wife and personages concerned and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda.

The guests also visited the Chunghwa rice corn factory. After arriving there amid the warm welcome of the workers, they saw round with deep interest the production processes of the modernly equipped factory.

16 June Banquet

OW161731Y Pyongyang KCNA in English 1704 GMT 16 Jun 78 OW

[Text] Pyong, 16 Jun (KCNA)--His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, and his wife arranged a grand banquet at the Kumsusan Assembly Hall this evening in honour of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, and his wife.

The great leader Comrade Kim Il-song and his wife were invited to the banquet. Also invited there were Comrade Pak Song-chol and his wife, Comrade Kye Ung-tae, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, Comrade Kim Man-kum, Comrade Pyon Chang-pok and other cadres and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda. Foreign diplomatic envoys in Pyongyang and their wives were invited to the banquet. Present at the banquet were His Excellency President Juvenal Habyarimana and his wife, and their entourage.

When the great leader Comrade Kim Il-song and his wife entered the banquet hall, conducted by His Excellency President Juvenal Habyarimana and his wife, amid the strains of the welcome music, the entire attendants warmly welcomed them with loud applause.

The banquet began with the playing of the national anthems of our country and Rwanda. His Excellency President Juvenal Habyarimana spoke at the banquet. Then the great leader Comrade Kim Il-song spoke. The banquet proceeded in a warm atmosphere overflowing with friendly sentiments. A performance was given at the banquet by artists of the Mansudae Art Troupe.

Kim Il-song Speech

OW161557Y Pyongyang KCNA in English 1537 GMT 16 Jun 78 OW

[Text] Pyong, 16 Jun (KCNA)--His Excellency Juvenal Habyarimana, president of the Republic of Rwanda, and his wife arranged a grand banquet this evening in honour of the great leader Comrade Kim Il-song and his wife. Follows the full text of the speech made by the great leader Comrade Kim Il-song at the banquet:

Your Excellency Esteemed President Juvenal Habyarimana and Madam Agathe Habyarimana, dear guests from Rwanda, comrades and friends:

Your Excellency President's visit to our country, which has marked a new milestone in the development of the fraternal friendly relations between Korea and Rwanda, is coming to an end with success. Your current visit, which has proceeded amidst our people's warm welcome, and our meaningful meeting have been an epoch-making event in consolidating the friendly and cooperative relations between our two countries and developing them onto a higher stage.

This time we have met for the first time, but we have exchanged our views on many problems in a brotherly and comradely atmosphere and reached complete agreement on all problems discussed. You have spoken highly of the successes made by our people in building socialism under our party's leadership, and actively supported our people's cause of national reunification. We are grateful for this.

This time we have become better acquainted with the struggle of the Rwandan people for the building of a new society under the correct leadership of Your Excellency President, and we have expressed our readiness to give you all assistance we can.

The whole course of your visit to our country clearly demonstrated the firm determination of our two peoples to fight on together in firm unity along the road of anti-imperialism and independence and made a great contribution to strengthening the united front of non-aligned nations, countries of the new-emerging forces. We are particularly happy that we have made friends with you and deepened our amity this time.

Today the developing countries, non-aligned nations, despite differences in their state and social systems, political views, religious faiths, languages and customs, have a common duty to create a new, independent life in opposition to all forces of domination--including imperialism, colonialism and racism. This urgently demands that these countries support and cooperate with each other more earnestly. When the new-emerging countries, non-aligned nations, guard independence and struggle in firm union, the imperialist and dominationist forces will become helpless after all and the people's cause of building a new, independent and prosperous world free from oppression and plunder will surely win.

Your Excellency Esteemed President, I would like to express my deep thanks to you for the invitation you have extended to us to attend this grand banquet arranged this evening on the eve of your departure, and I am very pleased that your visit has borne fine fruits. You are parting with us tomorrow, but the friendly feelings you leave behind will remain at all times in the hearts of our people, and the friendly and cooperative relations between our two countries will, in the future, blossom and develop more fully in various fields of politics, economy and culture.

On the day of your arrival in our country, Your Excellency President kindly invited us to your country, reflecting the unanimous desire of the Rwandan people. We are moved by this, and believe that the day will come when we will visit your country in the future to witness the successes made by the Rwandan people in building a new, prosperous Rwanda with their own efforts, rallied around the national revolutionary movement for development headed by their outstanding leader, Your Excellency Juvenal Habyarimana.

I ask you, on your return home, to convey our friendly greetings to the fraternal people of Rwanda. In conclusion, I would like to propose a toast: To the indestructible brotherly friendship and solidarity between the Korean and Rwandan peoples; to the prosperity and development of the Republic of Rwanda; to the unity of the peoples of the world advocating independence; to the health of our intimate friend Your Excellency Esteemed President Juvenal Habyarimana and madam; to the health of all guests from Rwanda, to the health of diplomatic envoys of many countries and their wives; and to the health of all comrades and friends present here.

Cooperation Agreement

OW171701Y Pyongyang KCNA in English 1609 GMT 17 Jun 78 OW

[Text] Pyongyang, 17 Jun (KCNA)--An agreement on economic, scientific-technological and cultural cooperation between the Democratic People's Republic of Korea and the Republic of Rwanda was signed in Pyongyang on June 17.

Present at the signing ceremony were the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, and his Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the national revolutionary movement for development, and his wife. Present on our side were Comrade Pak Song-chol and his wife, Comrade Kye Ung-tae, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, Comrade Pyon Chang-pok, personages concerned Yi Chong-son, Kim Kyong-yon, Pak Chung-kuk, Chong Song-nam and Kil Chae-kyong, and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda.

Present there on the opposite side were Aloys Nsekaliye, member of the Central Committee of the National Revolutionary Movement for Development and minister of foreign affairs and cooperation; Alexis Kanyarengwe, member of the Central Committee of the National Revolutionary Movement for Development and minister of the interior; Simeon Ntekirayo, member of the Central Committee of the National Revolutionary Movement for Development and minister of youth; Frederic Nzamurambaho, minister of agriculture and livestock, and his wife; Felicien Zakawasi, minister of public works and equipment, and his wife; and Nyandwi Tharcisse, ambassador extraordinary and plenipotentiary of the Republic of Rwanda to our country, and his wife.

The great leader Comrade Kim Il-song and his Excellency President Juvenal Habyarimana signed the agreement on economic, scientific-technological and cultural cooperation between the Democratic People's Republic of Korea and the Republic of Rwanda.

Economic, Technological Accord

OW171657Y Pyongyang KCNA in English 1607 GMT 17 Jun 78 OW

[Text] Pyongyang, 17 Jun (KCNA)--A protocol on economic and technological cooperation between the Government of the Democratic People's Republic of Korea and the Government of the Republic of Rwanda was signed in Pyongyang on June 17. The protocol was signed by Comrade Chong Chun-ki, authorized by the DPRK Government, and by Aloys Nsekaliye, minister of foreign affairs and cooperation, authorized by the Rwandan Government.

Present at the signing ceremony on our side were personages concerned and Yi Hong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda, and on the opposite side were some members of the entourage of President Juvenal Habyarimana and Nyandwi Tharcisse, ambassador extraordinary and plenipotentiary of the Republic of Rwanda to our country.

17 June Departure

OW171713Y Pyongyang KCNA in English 1616 GMT 17 Jun 78 OW

[Excerpts] Pyongyang, 17 June (KCNA)--His Excellency Major General Juvenal Habyarimana, president of the Republic of Rwanda and chairman-founder of the National Revolutionary Movement for Development, who had been on an official visit to our country upon the invitation of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic People's Republic of Korea, left Pyongyang on June 17 by special plane, successfully winding up his itinerary.

The great leader Comrade Kim Il-song and his wife came out to the airport and warmly saw off His Excellency President Juvenal Habyarimana and his wife.

The entourage of His Excellency President Juvenal Habyarimana also came out to the airport to leave.

Present at the airport to send off the guests were Comrade Pak Seng-chol and his wife, Comrade Kye Ung-tae, Comrade Ho Tam, Comrade Chong Chun-ki and his wife, Comrade Kim Man-kum, Comrade Pyon Chang-pok, Comrade Hwang Chang-yop, and other leading functionaries and Yi Hyong-yon, ambassador extraordinary and plenipotentiary of our country to the Republic of Rwanda, Nyandwi Tharcisse, ambassador extraordinary and plenipotentiary of the Republic of Rwanda to our country, and his wife and diplomatic envoys of foreign countries and their wives were present at the airport.

The great leader Comrade Kim Il-song and His Excellency President Juvenal Habyarimana firmly shook hands and warmly hugged each other at parting. His Excellency President Juvenal Habyarimana boarded the plane, waving to the cheering crowds, after expressing deep thanks for the hospitality accorded by the great leader Comrade Kim Il-song during his stay in our country. The special plane carrying the goodwill envoy of the Rwandan people left Pyongyang airport at 7:30 a.m.

NODONG SINMUN SCORES CARTER STATEMENT ON PAK TONG-SON

SK171411Y Pyongyang Domestic Service in Korean 2251 GMT 16 Jun 78 SK

[NODONG SINMUN 17 June commentary: "Brazen Protection"]

[Text] The U.S. administration, trying to play the role of judge, has actively sided with the Pak Chong-hui puppet clique in connection with the investigation of the clique's bribery operation directed at U.S. political figures.

According to a news report, U.S. President Carter has recently said that Pak Tong-son, intelligence agent of the South Korean Central Intelligence Agency and chief executor of the bribery operation directed toward the United States, offered information on the bribery operation to the U.S. Congress in a "frank" manner and that his testimony before U.S. Congressional committees and investigators of the U.S. Department of Justice was "perfect" and "correct."

The assessment that Pak Tong-son's false statements were "frank" and "correct" is a cunning maneuver to hush up the investigation of the bribery operation carried out by the South Korean puppet clique and bury this incident. This is a challenging act seeking to fool the people of the United States and the world who are demanding that the true aspect of the South Korean puppet clique's criminal bribery operation directed at the United States be thoroughly exposed and duly punished.

Pak Tong-son's testimony is nothing but a product which Pak Tong-son, having been dragged by the Pak Chong-hui puppet clique to the secret room of the Blue House, rehearsed for more than a year as false testimony before the U.S. Congress. Pak Tong-son reiterated in the U.S. Congress that he was not a member of the South Korean Central Intelligence Agency and that his bribery act had been privately motivated and had nothing to do with the South Korean regime. This is a sheer lie. It is widely known that, while spending money lavishly in U.S. political circles under the guise of a rice dealer and under traitor Pak Chong-hui's direct instruction, Pak Tong-son, a special agent of the South Korean puppet Central Intelligence Agency working in the United States, carried out a buying-off operation there to prevent the withdrawal of U.S. forces from South Korea and to help increase military and economic aid to the puppet clique. This has been thoroughly disclosed by testimony from many witnesses before the U.S. Congress and by secret documents submitted by the South Korean puppet clique to the U.S. Congress.

It has been officiall, recognized through the U.S. authorities' bugging of the Blue House that, with the South Korean puppet clique's establishment of a command structure within the Blue House for the U.S. bribery operation, the development of the situation under which traitor Pak Chong-hui took command of the operation had been known in detail from the beginning.

The U.S. President probably has better knowledge of the true aspects of the South Korean puppet clique's bribery operation than anyone else. Carter, by saying that he opposes irregularity and corruption and that he values obedience of the law--thus posing as a just man--tries to obscure a fact the world clearly knows. This clearly shows his two-faced nature. His statement reversing black and white aims at preventing further disclosure of the facts regarding the filthy hand of the South Korean puppet clique reaching U.S. political circles and aims at stepping up aggressive war maneuvers against Korea.

While further withdrawing from its pledge to withdraw troops from South Korea reinforcing U.S. forces occupying South Korea, the United States had rapidly increased its military aid to the South Korean puppet clique under the pretext of compensatory measures. By loosely handling the investigation of the bribery operation, the U.S. authorities have urged the Congress to accelerate review of the bill concerning military aid to South Korea and have tried to offer greater quantities of lethal weapons to the puppet clique.

It goes without saying that the U.S. imperialists' military aid to the South Korean puppet clique will further drive the puppet clique to division, war and fascism. The U.S. imperialists hushed up the bribery incident, and their acceleration of the military build-up and war preparations behind a screen of troop withdrawal shows that they invariably seek wild designs for permanently holding on to South Korea as their colony and military base, fabricating "two Koreas" to fulfill their aggressive goal for all Korea.

The U.S. imperialists' active support for the Pak Chong-hui puppet clique in South Korea, in which the policy of violating human rights has been carried out in the most cruel manner in the world, clearly reveals that their raving about protecting human rights is a fraudulent trick designed to deceive world opinion. However eagerly the U.S. authorities try to conceal the South Korean puppet clique's illicit bribery operation directed at the United States, the true aspect of the bribery incident is destined to be further disclosed with the passage of time. The world does not move according to the desires of the imperialists and the puppet clique, but in accord with the people.

It is foolish for the United States to protect the Pak Chong-hui puppet clique, which has been abandoned by the people, and to seek to fulfill its aggressive, wild desires against Korea. The United States should stop the act of abetting the South Korean puppet clique on the road of division, war and fascism, and should completely withdraw its forces and all lethal weapons, including nuclear weapons, from South Korea at the earliest possible date.

U.S. 'AGGRESSIVE MANEUVERS' BEHIND 'TROOP WITHDRAWAL'

SK191143Y Pyongyang Domestic Service in Korean 0750 GMT 19 Jun 78 SK

[Unattributed talk: "U.S. Imperialist Scheme for Aggression More Openly Perpetrated Behind the Screen of Troop Withdrawal"]

[Text] The great leader Comrade Kim Il-song taught that the U.S. authorities are further accelerating war preparations and military buildup on an unprecedentedly large scale against our republic, stepping back from their pledge to withdraw U.S. forces from South Korea. So taught the great leader.

Recently, the U.S. imperialists have been more openly perpetrating aggressive maneuvers against our country behind the screen of the so-called troop withdrawal. The scoundrels are constantly building up their aggressive armed forces in South Korea and pouring more military aid into the South Korean puppets, clamoring about compensatory measures for troop withdrawal and a balance of power.

The U.S. imperialists recently transferred military equipment valued at \$800 million to the South Korean puppets. They have decided to provide the puppets with \$275 million in military loans and large amounts of funds for stockpiling ammunition. Earlier, the rascals dragged tank recovery vehicles and helicopters valued at \$56 million into South Korea. They laid plans to drag military equipment and spare parts for lethal weapons valued at \$67 million and various other types of weapons and equipment, including 1,100 TOW missiles into South Korea.

By transferring more weapons and military equipment to the South Korean puppets, the U.S. imperialists are actively abetting them in provoking a new war. Thus the U.S. imperialists are further building up their aggressive armed forces--including nuclear weapons--while daily kicking up powder-reeking war exercise rackets.

Even a U.S. news agency exposed the fact that the United States has secured a nuclear armory in South Korea by dragging Lance missiles capable of delivering nuclear warheads into South Korea. The organization by the U.S. imperialists of a so-called quick reaction strike force with the purpose of attacking our republic vividly shows how diligently the rascals are accelerating war preparations in South Korea. In light of its composition, the quick reaction strike force is an attack-type armed force which prepared for immediate aggression against our republic.

As is already known, the U.S. imperialists have prepared a war plan for immediately dispatching their aggressive armed forces in case of war in Korea. The so-called emergency mobilization plan which the rascals have already made public includes the size, timetable, procedures and other detailed military actions of U.S. Army, Navy and Air Force units to be mobilized on the Korean Peninsula from areas around South Korea and from the U.S. mainland. This plan is in fact an aggressive war plan for attacking our republic.

According to this plan, the U.S. imperialists waged the war exercise racket called the South Korea-U.S. joint operational exercise--the largest in scale since the Korean war--in the area south of the military demarcation line, mobilizing vast armed forces of the U.S. Army, Navy and Air Force--including nuclear weapons from areas around South Korea and from the U.S. mainland. It is a fact already known to the world that this frantic war exercise was conducted with an eye toward attacking our republic.

The U.S. imperialists are more viciously accelerating preparations for aggressive war against our republic. Recently, the scoundrel called commander-in-chief of U.S. forces in the Pacific clamored that Korea is not only closely tied to U.S. national interests, but also is located in an important region in terms of U.S. military strategy. Earlier, U.S. President Carter clamored that South Korea is an area of vital importance to U.S. national interests and that therefore it is of high priority for the United States to further strengthen their military forces in this region.

These absurd remarks reveal the wild ambition of the U.S. imperialists to plunder South Korea. In fact, the U.S. imperialists covet the cheap labor force in South Korea and the oil resources of the Continental Shelf around South Korea.

The buildup of aggressive armed forces and the frantic acceleration of war preparations by the U.S. imperialists in South Korea today are aimed at creating two Koreas by armed force, continuously holding on to South Korea as a colony and military base and invading all of Korea by using South Korea as a springboard. However, this is a foolish fantasy and a foolish act which runs counter to the trend of the times. Today the peace-loving peoples of the world unanimously demand that the U.S. imperialist aggressive forces withdraw from South Korea, actively supporting and encouraging our people's struggle for the independent and peaceful reunification of the country. This has become an irresistible trend of the times. Therefore, the U.S. imperialists must look straight at reality, abandon their aggressive scheme against us and immediately withdraw from South Korea, taking along all their lethal weapons.

ROK-U.S. 'MILITARY EXERCISE RACKETS' INCITING WAR

SK171318Y Pyongyang Domestic Service in Korean 2243 GMT 16 Jun 78 SK

[NODONG SINMUN 17 June article: "Crazy Racket to Light the Fuse of War"]

[Text] At a time when voices at home and abroad are further demanding that the aggravated tension in the political situation of Korea be alleviated, the South Korean puppets again conducted a large-scale military exercise against us along the military demarcation line. According to reports, a special exercise by the puppet army, which is said to be the largest in scale ever since its founding was conducted in the central-west frontline areas.

This extremely provocative military exercise was a large-scale infiltration operation exercise combining airborne, underwater and mountain attacks for infiltration into rear areas. This was conducted in the presence of puppet leaders, including the traitor Pak Chong-hui, and U.S. officers. This crazy racket conducted with foreign observers watching on the spot shows that the Pak Chong-hui traitor clique's war madness has reached an extremely reckless stage. It particularly bodes ill that the puppets conducted this infiltration operation racket with the approach of 25 June, the day when the U.S. imperialists provoked a war in Korea.

The puppets are attempting to cover up their maneuvers to provoke a new war, absurdly raving about preparing against the southward threat, but a series of situations now existing in South Korea indicate that the puppets are preparing behind the scenes a war of aggression against the North, spreading the non-existence threat of southward aggression. By raving that this operation exercise for infiltration into rear areas is a special exercise to annihilate communism, the Pak Chong-hui clique did not conceal that it was conducted against us. It is the clique's true confession that it has no intention of peacefully solving the issue of the country's reunification and is accelerating preparations for an aggressive war against the North.

The provocative military exercise racket of the puppet clique is a result of the serious crisis it faces. The just antifascist struggle of the people of all strata--demanding the abolition of the yusin system, the overthrow of the Pak regime, democratization of society and the fatherland's reunification--is deepening and developing now in South Korea. This is deeply disturbing to the puppets' fascist yusin dictatorial system. Furthermore, the increasing demand of domestic and foreign people that U.S. troops be immediately and totally withdrawn from South Korea extremely embarrasses the South Korean puppet clique, which is prolonging its life under the protection of the U.S. imperialists' bayonets. Thus the Pak Chong-hui traitor clique, with the backing of foreign forces, is engrossed in fascist repression and military exercise rackets, desperately attempting to survive by lighting the flames of war by any means.

The Pak Chong-hui clique has declared a state of war in South Korea, increased the puppet armed forces' raving about perfecting preparations for action, reinforced its equipment by dragging in massive quantities of modern weapons from abroad, and conducted various military exercise rackets. All these preparations for war--which the puppet clique is accelerating--are directed to these ends. It was recently decided that the U.S. masters are to transfer \$800 million worth of military equipment to the puppets and provide them with \$275 million in military credits and a \$90 million stockpile of ammunition.

The Pak Chong-hui puppet clique kicked off the military exercise racket in March by conducting the unprecedentedly large-scale U.S.-South Korea joint military exercise ushering in huge numbers of U.S. armed forces. Following this, the puppet clique conducted a joint U.S.-South Korea river-crossing operation exercise in the DaJingang area and various seaborne and shooting exercises in the east, west and south seas. It has conducted the joint U.S.-South Korea landing exercise dubbed "Twin Dragons" since 14 June. This extremely provocative military exercise--again conducted under the command of the puppet Pak Chong-hui--in the foremost frontline areas together with constant arms reinforcement and military exercises, clearly shows that the clique's war madness has reached a very reckless and formidable stage. The Pak Chong-hui puppet clique is a group of war fanatics who run wild in preparing for a war of aggression against the North under the signboard of the threat of southward aggression. They are extremely wicked war maniacs who do not hesitate to drag the nation and people again into the disaster of war in their desire for power.

Because of the South Korean puppets' crazy war racket, the threat of northward aggression--not southward aggression--is now being actually formed. We can never tolerate this. The Pak Chong-hui puppet clique should seriously consider the results which its reckless war racket may bring about, act discreetly and stop playing the role of the U.S. imperialists' dirty war stooge.

U.S. ARMS REINFORCEMENTS 'JEOPARDIZE PEACE'

SK180943Y Pyongyang KCNA in English 0821 GMT 18 Jun 78 SK

[Text] Pyongyang, 18 Jun (KCNA)--The "arms sales offer for South Korea" submitted by the U.S. Defence Department on May 12 to supply the South Korean puppet clique with various types of military planes--including the "F-4," "F-5," "A-37," "T-33," and "C-123" and 67 million dollars worth of "TOW" missiles was automatically endorsed by the U.S. Congress recently, reports say.

And, according to the "report" published by the U.S. Congress on June 15, the U.S. Defence Department plans to supply to the South Korean puppet clique 18,163,000 dollars in military "aid" to reinforce and expand the Osan and Kunsan air bases in South Korea in fiscal 1980.

The U.S. Defence Department had already decided to render to the puppet clique 14.2 million dollars in military "aid" in fiscal 1979 for the construction of fuel storage and ammunition depots at the Osan and Kunsan air bases.

The U.S. imperialists are now reinforcing their air forces in South Korea behind the screen of "troop withdrawal" and zealously arming the South Korean puppet army with modern weapons of destruction under the pretext of "compensatory measures." The U.S. imperialist bellicose elements are even accelerating nuclear war preparations against the northern half of the republic and openly resorting to nuclear blackmail against the Korean people.

They seek in this to create "two Koreas," keep South Korea as their permanent colony and military base and perpetrate a war adventure against the northern half of the republic with South Korea as their springboard, staying on in South Korea indefinitely.

The adventurous war preparations of the U.S. imperialists against the northern half of the republic make their "plan of troop pullout" from South Korea all the more dubious and strip naked the craftiness and viciousness of their "double-dealing tactics" carrying two faces under one hood.

The U.S. imperialists' arms reinforcement in South Korea and their new war preparations against the Korean people lead the situation of our country to an extreme pitch of strain and gravely jeopardize peace in Asia and lay a grave obstacle in the way of the peaceful reunification of our country.

If the U.S. imperialists think they could get something from their manoeuvres, it would be a great mistake. The U.S. imperialists must give up their reckless manoeuvres and withdraw from South Korea without delay, taking along all their troops and weapons of destruction, including nuclear weapons.

ROK ARMY INTELLIGENCE OFFICER DEFECTS TO NORTH

SK162350Y Pyongyang Domestic Service in Korean 2224 GMT 16 Jun 78 SK

[Text] With the South Korean people's longing for the socialist fatherland led by Marshal Kim Il-song, the great sun of the nation, rising daily, a South Korean puppet army officer crossed the military demarcation line and came over to the northern half of the republic at around 1100 on 13 June.

The defector is 35-year old Major (Yi Chun-kwang) of the 203d Intelligence Unit, 101st Intelligence Group, of the South Korean puppet army intelligence command. He is greatly satisfied that his aspiration to cross over to the North has been realized.

(Yi Chun-kwang) said that since his school years he had been displeased with the traitorous Pak Chong-hui clique for its surveillance of campus activities and its driving of students to rigorous military exercises. He also said that since joining the puppet army he had been dissatisfied with the Pak Chong-hui puppet clique which, under the slogan of "anti-communism," fabricating "two Koreas" and provoking a new war, drives the puppet army's junior officers and enlisted men to arduous war exercises, and with the senior officers, who are corrupt and discriminate against the officers from the puppet army infantry school.

As an intelligence officer he said he collected and analyzed information on the situation in the northern half of the republic and, in doing so, found that all the people in the northern half are rallied rock-firm around the great leader and enjoy true freedom and happiness.

He said he cemented his determination to cross over to the North when he heard recently that Yi Chang-su and Cho Pyong-uk, who defected to the North aboard an airplane, and Yu Un-hak, a former puppet army battalion commander who defected to the North, are enjoying a happy life amid the warm hospitality of the northern brothers.

As to his defection to the North, he said it was not done on the spur of the moment, and noted that his long-time aspiration has been realized. He also said that he is determined to dedicate himself to the DPRK and the cause of national reunification. (Yi Chun-kwang) is now enthusiastically welcomed by the people of the northern half of the republic and warmly protected by the authorities concerned.

SNEIDER, PAK TONG-CHIN AFFIRM ROK-U.S. RELATIONS

SK170140Y Seoul HAPTONG in English 0103 GMT 17 Jun 78 SK

[Text] Seoul, 17 Jun (HAPTONG)--Outgoing U.S. Ambassador to Korea Richard Snieder Friday night said that no obstacles should interfere in the traditionally friendly relations between Korea and the U.S.

Though the relations between the two countries have on some occasions been strained, the American envoy went on, the strength of the two allies has been fully demonstrated by the [word indistinct] of the two nations. He made the remarks at a farewell party Foreign Minister Pak Tong-chin hosted in his honor at the minister's residence here.

Minister Pak said the recent controversy between the two countries over the Pak Tong-sun affair provided both peoples with an opportunity to test the strength of their alliance and the depth of their common interests. He further said the development of occasional differences between the two nations also gave an opportunity to reaffirm their mutual commitment toward a common goal. Minister Pak expressed his deep appreciation for what Ambassador Snieder has done here for the improvement of Korea-U.S. relations.

Some 40 guests, including Rep. Choe Yong-hui, chairman of the House Foreign Affairs Committee, and Benjamin Tirona, dean of the diplomatic corps here, were present at the farewell party.

U.S. Security Pledge Firm

SK190135Y Seoul HAPTONG in English 0115 GMT 19 Jun 78 SK

[Text] Seoul, 19 Jun (HAPTONG)--The United States had conveyed to China its firm policy stance to remain faithful to its security commitment, particularly in Korea, Foreign Minister Pak Tong-chin said over the weekend.

White House National Security Advisor Zbigniew Brzezinski, during his recent Peking trip, assured Chinese leaders that Washington is treaty-bound to assume security obligation in Korea, revealed Minister Pak who had met with Brzezinski when the latter visited Seoul after his China tour.

Pak added the U.S. side made it clear to China that the U.S. commitments to Korea cannot afford "any form of change" despite the announced U.S. military phase-out from Korea. Minister Pak disclosed this at the House foreign committee which held a one-day interpellation session on recent diplomatic developments surrounding the country.

"It is Washington's steady policy, as pledged to us on numerous occasions, that they will faithfully carry out their treaty duty in Korea and come to our help in case of any state of contingency in Korea," Minister Pak told the session. "Let there be no misunderstanding about this," he added.

As for the perennial U.N. debate on Korea, Minister Pak reiterated the Seoul government's basic policy not to continue "fruitless" bickering, but declared the government readiness to counter any North Korean initiatives at this year's U.N. General Assembly.

On the reported "tripartite security alliance" among the U.S., Japan and China, the minister declined any comment except to say that it will be unwise for Seoul to take a stance (on the matter) at this juncture.

FOREIGN MINISTER COMMENTS ON PAK TONG-SON CASE

SK170313Y Seoul HAPTONG in English 0307 GMT 17 Jun 78 SK

[Text] Seoul, 17 Jun (HAPTONG)--Reiterating the Korean Government's stand that former Korean Ambassador to the U.S. Kim Tong-cho could be made available to U.S. congressional investigators only through telephone interview or personal correspondence, Foreign Minister Pak Tong-chin today ruled out a possibility of U.S. probers conducting questions of investigative nature against the former diplomat on his role in alleged Korean influence-seeking on Capitol Hill.

As for the case of personal correspondence, he said the government wanted it exchanged through the State Department. Testifying before the House Foreign Affairs Committee, Minister Pak also said that Seoul's present ambassador in Washington, Kim Yong-sik, would meet with Leon Jaworski, special counsel to the U.S. House ethics committee now investigating the alleged Korean bribery scandal, shortly in their efforts to conclude the Kim Tong-cho affair at an early date.

He further said Pak Tong-son, the central figure in the alleged Korean payoff scheme, was likely to visit the U.S. for the third time in July to testify before a U.S. congressional panel on the scandal. The House ethics committee is expected to put an end to its Korean investigation in two or three months, he added.

FOREIGN MINISTRY REACTS TO JAPANESE REPORTS ON TOK-TO

SK190315Y Seoul HAPTONG in English 0250 GMT 19 Jun 78 SK

[Text] Seoul, 19 Jun (HAPTONG)--Reacting sharply to a series of Japan's recently reported claims to Tok-to Island (known as Takeshima in Japan) now under Korea's control, Foreign Ministry officials warned today the Tok-to issue cannot be negotiated in any war because the uninhabited island in the east sea has clearly been a part of our territory.

Asked for a comment on a Japanese news report that the Japanese Government has been withholding some 100 million dollars of economic credit for Korea in connection with the dispute over the island, the officials said: "We have nothing to say at the moment because our embassy in Tokyo has not yet made any report on that." "However," they went on, "if the news report was true, it would be very regretful." Even though Japan does withhold the already-promised loan, they said, it would not affect the nation's economy or viable economic position.

On another Japanese press report that the Japanese Government planned to press for an early settlement of the Tok-to problem at this year's Korea-Japan ministerial meeting slated for fall in Seoul, they angrily said, "There is no need or reason for us to respond to such a move."

HERALD CALLS U.S. TROOPS 'SUREST DETERRENT'

SK190030Y Seoul THE KOREA HERALD in English 17 Jun 78 p 4 SK

[Editorial: "Surest Deterrent"]

[Text] The U.S. policy options, or still, ideas, as revealed recently on Korea in regard to the withdrawal of American ground troops from the peninsula appear resolute enough to forewarn North Korea of the folly of making a second attempt on the South. [paragraph continues]

A report issued lately by the congressional budget office presents three options as being considered by the Carter administration as countermeasures for possible contingencies on the Korean Peninsula.

Toughest of them is the reintroduction of the 2nd U.S. Infantry Division, which is to be withdrawn over a period of four or five years, or other ground combat units to this country in case of renewed war. A contingency plan of this kind has been suggested either through the remarks of responsible U.S. officials or through a joint U.S.-Korea exercise, "Team Spirit '78," conducted earlier this year.

Now that President Carter's decision to pull out the ground forces from Korea is about to be, or is being, carried out, the need is more pressing than ever for Washington to make clear that the withdrawal does not mean any erosion of the U.S. security commitment to this republic. In this context, the reported policy options will be essential to keep North Korea from miscalculating the U.S. security ties with Seoul. The firmness of the U.S. posture was reassured earlier by the policy statement delivered by Secretary of State Cyrus Vance, which leaves the United States free to use its nuclear arsenal against a Warsaw Pact member attacking its NATO counterpart and against North Korea if it mounts a conventional attack on the South. This statement seems to be more straightforward than any previous one in disclosing the U.S. nuclear position on Korea.

But all these assurances or reaffirmations are still short of answering the basic question in regard to the withdrawal of U.S. ground forces from Korea--which are the surest deterrent to renewal of war here. Why does the United States have to remove the surest deterrent and then seek some other means to make up for the removal? Both realities and opinions favor continuation of the best assurance, that is, the continued presence of the unmistakable deterrent to war.

President Carter himself appears to acknowledge that need, in part if not in whole, as shown by his moderation of the withdrawal plan. The reduction of the size of the combat unit to be pulled out this year accounts for his realistic assessment of the situation both in and around the Korean Peninsula.

As this column has frequently pointed out, there is no hope at all that the U.S. withdrawal will be responded to by North Korea in a rational manner. All indications are rather to the contrary. For instance, Pyongyang has continued to turn down the recent series of peace initiatives offered even by some of its friendly nations--Yugoslavia and Romania in particular. Even Hua Kuo-feng of Communist China seems to have found Kim Il-song beyond the reach of his advice.

When the broader role of the U.S. forces in Korea, which obviously extends beyond the borders of the peninsula, is also taken into account, the withdrawal is all the more regrettable. While the departure of the U.S. ground troops from Korea is certain to affect the balance of power in the Far East in one way or another, the continuous Soviet military buildup in the area--even with an eye to using a North Korean port as their naval base--augurs ill for the future.

It is a situation that charts a course of action rather than vice versa. The situation of Korea, and for that matter East Asia, continues to require the surest U.S. guarantee, and hardly the second to the surest.

IENG SARY RETURNS FROM UN DISARMAMENT SESSION

BK180244Y Phnom Penh Domestic Service in Cambodian 2300 GMT 17 Jun 78 BK

[Text] At 1130 on 17 June 1978, the delegation of Democratic Kampuchea led by Comrade Ieng Sary, deputy prime minister for foreign affairs arrived in Phnom Penh by plane after successfully fulfilling its mission at the 10th Special Session of the United Nations General Assembly on disarmament in New York.

Comrade Vorn Vet, deputy prime minister for economy; Comrade Cheng An, chairman of the Committee for Industry; and many Foreign Ministry cadres went to Pochentong Airport to welcome back home Comrade Deputy Prime Minister Ieng Sary and other members of the delegation.

Comrade Sun Hao, ambassador of the PRC to Democratic Kampuchea, also went to welcome Comrade Ieng Sary.

Report on Session

BK160350Y Phnom Penh Domestic Service in Cambodian 2300 GMT 15 Jun 78 BK

[From the "International News" feature]

[Excerpt] The 10th Special Session of the United Nations General Assembly on Disarmament opened in New York on the afternoon of 23 May 1978. Nearly (1140) UN member countries attended this session, organized at the request of the nonaligned and Third World countries.

Comrade Lazar Majsov, representative of Yugoslavia and president of the 32d session of the United Nations General Assembly, was elected president of the 10th Special Session of the United Nations General Assembly.

During the meeting many representatives of Third World countries, nonaligned countries and independence and peace-loving countries made speeches denouncing and condemning the policy of the major imperialist and expansionist powers, which have continued talking idly about disarmament and which, in reality, have been engaged in a feverish arms race, particularly the nuclear arms race, in order to obtain world domination and become nuclear overlords.

The special session will conclude on 28 June.

NEW MALAYSIAN AMBASSADOR ARRIVES TO ASSUME POST

BK180245Y Phnom Penh Domestic Service in Cambodian 2300 GMT 17 Jun 78 BK

[Text] At 1130 on 17 June 1978, His Excellency Datuk Abdul Rahman bin Abdul Jalal, ambassador-designate of the Federation of Malaysia, and his colleagues arrived in Phnom Penh by plane to present credentials to the comrade chairman of the State Presidium. The Malaysian envoys were warmly welcomed at Pochentong Airport by a number of Foreign Ministry cadres.

ASEAN FOREIGN MINISTERS CONFERENCE CONCLUDES

Report on Final Speeches

BN170346Y Bangkok POST in English 17 Jun 78 p 9 BK

[Text] ASEAN foreign ministers expressed concern over conflicts in this part of the world in individual statements at the closing ceremony of the eleventh ASEAN ministerial conference at the Royal Cliff Beach Hotel, Phatthaya, Chon Buri, yesterday.

In his concluding remarks, Foreign Minister Uppadit Pachariyangkun said the ASEAN ministers had "another fruitful round of discussion and we have reached a number of decisions on many important issues of common interest and concern." He said: "ASEAN is embarking on the second decade of its existence." Directives of ASEAN heads of government had been "satisfactorily implemented."

"The success or failure of ASEAN as an organisation depends on all of us. Let us, therefore, look ahead into the future and double our efforts to make ASEAN a true vehicle for peace and progress in this region."

Philippines Foreign Minister Carlos Romulo said: "We reiterate most emphatically our hope that irritants among the countries in our immediate neighbourhood be settled amicably." ASEAN, he said, hoped that these tensions could be diminished so that an "enlargement of a conflict that could have strong repercussions in the ASEAN region could be avoided."

Although ASEAN ministers saw the conflicts as definite threats to the region's security and ASEAN's concept of creating a zone of peace, freedom and neutrality in Southeast Asia, they welcomed developments in relations between ASEAN states and communist Indochina.

"The continuation and development of bilateral approaches and relations between individual ASEAN states and Vietnam, Laos and Kampuchea have contributed towards the creation of the current climate of goodwill in the region," Malaysian Foreign Minister Tengku Ahmad Rithauddeen said.

Indonesian Foreign Minister Mochtar Kusumaatmadja noted the "diminishing animosity" of the Indochina states towards ASEAN and expressed hope that this change of attitude would "eventually lead to their acceptance and recognition of our association for what it is -- an association for joint efforts to achieve for the peoples of ASEAN a higher standard of living, a greater degree of prosperity and welfare and, for that purpose, to maintain and strengthen peace, stability and security in the region."

Singapore's Foreign Minister S. Rajaratnam described ASEAN as "a rising sea," despite the recession of some "individual waves." He noted that dialogues had been established with the United States, the European Economic Community, Japan, New Zealand and Australia.

Text of Communique

BN170710Y Bangkok NATION REVIEW in English 17 Jun 78 p 2 BK

["Full text" of joint communique issued by the ASEAN countries' foreign ministers on 16 June on their 14-16 June meeting at Phatthaya, Thailand]

[Text] 1. The eleventh ASEAN ministerial meeting was held in Phatthaya, Thailand on 14-16 June 1978. The meeting was formally opened by the prime minister of Thailand, H.E. General Kriangsak Chamanan.

2. The meeting was attended by H.E. Prof. Dr. Moestika Kusumaatmadja, minister of foreign affairs of Indonesia; H.E. Tengku Ahmad Rithauddeen bin Ismail, minister of foreign affairs of Malaysia; H.E. Carlos P. Romulo, minister of foreign affairs of the Philippines; H.E. S. Rajaratnam, minister for foreign affairs of Singapore and H.E. A. Rahim Ishak, senior minister of state for foreign affairs of Singapore; and H.E. Dr. Uppadit Pashariyangkun, minister of foreign affairs of Thailand; and H.E. Wong Phonniken, deputy minister of foreign affairs of Thailand; and their respective delegations.

3. H.E. Umarjadi Njotowijono, the secretary general of the ASEAN Secretariat, was also in attendance.

4. In his opening address, the prime minister of Thailand, H.E. General Kriangsak Chamanan, pointed out the need to reflect upon ASEAN's present condition, its future directions and the resources which ASEAN had at its disposal to realize its aspirations. He submitted that having passed an initial period of orientation, ASEAN was now ready to move on to new horizons.

5. The prime minister stated that as ASEAN was a unique undertaking in regionalism and a positive contribution to regional peace, it was incumbent upon ASEAN members to ensure that they maintained a coherent and viable entity among themselves, otherwise there was little prospect for wide regional endeavours. He also stated that the Thai Government would do all it could to maintain political stability as a contribution to collective ASEAN resilience.

6. He noted with satisfaction that ASEAN was continuing to make positive progress in various fields of cooperation. He referred in particular to the successful implementation of ASEAN preferential trading arrangements and expressed the view that intra-ASEAN trade and economic strength leading to some degree of economic integration would provide a firm basis for the conduct of more meaningful external relations.

7. The prime minister also noted that the continuing political cohesiveness of ASEAN member countries enabled it to gain wide international recognition and ASEAN aims and objectives were receiving the support of major powers. With regard to the concept of a zone of peace, freedom and neutrality, the Thai prime minister reiterated Thailand's full commitment towards realization as he believed it was capable of yielding benefits to all of the countries in Southeast Asia. The prime minister stated that though the primary task of ASEAN at present is to strengthen the fabric of its own cooperation, ASEAN also had to generate better understanding by other regional countries of ASEAN's intentions and the nature of its various projects and activities.

8. He observed with gratification that ASEAN member countries, in an awareness that their futures were linked together, were cooperating in a spirit of mutual trust and confidence. He hoped that ASEAN could bring about a similar spirit and awareness among all Southeast Asian countries. In this connection, he was heartened by the positive and constructive responses of other regional countries, especially Vietnam, Laos and Kampuchea, to the bilateral contacts being fostered by the ASEAN member countries.

9. In conclusion, the prime minister expressed his conviction that the 11th ASEAN ministerial meeting would contribute significantly to the continuing efforts of ASEAN to give substance to its aims and objectives.

10. The foreign ministers reviewed developments in the Southeast Asian region and noted with concern the continuing conflict between Vietnam and Kampuchea, as well as the growing tension between the People's Republic of China and Vietnam. They expressed the hope that these problems would be resolved through peaceful means in the near future by the countries concerned.

11. The foreign ministers reaffirmed the commitment of ASEAN countries towards the realization of the zone of peace, freedom and neutrality [Zopfan] in Southeast Asia. In this connection, they noted with satisfaction the contacts being undertaken between ASEAN member countries and other countries of the region, and agreed that these contacts be continued. They also agreed that ASEAN countries should continue with efforts to gain the recognition of Zopfan.

12. The foreign ministers recalled that the ASEAN heads of government at their meeting in Kuala Lumpur, 4-5 August 1977, had called on the UNHCR [UN High Commission for Refugees] and other relevant agencies to take immediate measures for the expeditious resettlement of Indochinese refugees in third countries. They expressed their grave concern that the flow of Indochinese refugees to the ASEAN countries remain unabated and called for the international community to exert more concerted effort towards expeditious resettlement of the refugees in third countries and thereby relieve the heavy burden on ASEAN countries.

13. The meeting considered and approved the annual report of the ASEAN Standing Committee, and noted with satisfaction that during the past year considerable progress has been achieved in the implementation of projects and activities agreed upon by the ASEAN heads of government in Bali and Kuala Lumpur in the fields of economic, social and cultural cooperation among the ASEAN countries as well as programmes of cooperation between ASEAN and third countries and international organisations.

14. In the field of economic cooperation, the meeting commended the ASEAN economic ministers for the effective part they have played in accelerating ASEAN cooperation. The meeting noted in particular that in addition to the 71 items approved for preferential treatment under the ASEAN preferential trading arrangements as of 1 January 1978, the additional 755 items have been approved by the ASEAN economic ministers at their sixth meeting in Jakarta, adding impetus to intra-ASEAN cooperation in trade. The meeting also welcomed the successful holding of the first ASEAN trade fair in Manila on 7-12 May 1978, which highlighted the trade and investment possibilities in ASEAN. The meeting urged the holding of similar trade fairs in the ASEAN region in the near future.

15. The meeting further noted that the ASEAN economic ministers had also approved the basic agreement on ASEAN industrial projects and the supplementary agreements for the ASEAN urea project (Indonesia) and the ASEAN urea project (Malaysia), which will be signed by the respective foreign ministers after the necessary constitutional procedures have been completed.

16. Acknowledging the achievements in the field of transport and communications and in particular the programme for the establishment of the ASEAN submarine cable network which is planned to link all the ASEAN countries by 1982, the meeting expressed satisfaction that the first segment of this network, between the Philippines and Singapore, would be inaugurated in August 1978. The meeting also welcomed the proposed setting up of the ASEAN regional satellite system.

17. The meeting noted in agreement reached by the ASEAN economic ministers on the establishment of regionally coordinated national reserves for rice in ASEAN countries and noted that this was a positive step towards the long-range stabilization of food supplies in the region and throughout the world.

18. The meeting noted with satisfaction that the Committee on Science and Technology and the Committee on Social Development have been formally established and that the projects and activities of the former permanent committees on socio-cultural activities and science and technology were transferred to the new committees.

19. The meeting commended the various activities in the cultural field held in the past year such as the holding of the literary awards competition and the logo design competition. The meeting urged that similar activities be undertaken so as to concretise the association's objective of fostering an ASEAN identity.

20. The foreign ministers agreed to establish an ASEAN cultural fund for the promotion of cultural development in the region.

21. The meeting noted the considerable progress which had taken place in the field of education cooperation. It welcomed in particular the setting up the ASEAN network of development education centres and the implementation of the five education projects under this network.

22. The meeting noted with satisfaction the various steps taken in the implementation of the population programmed for ASEAN.

23. The meeting noted with satisfaction that the newly-established social development committee will be evolving an integrated strategy for social development for ASEAN, based on the new committee's objectives and terms of reference.

24. The meeting welcomed the decision of the ASEAN ministers of labour to focus efforts on human resources development as a contribution to the welfare of mankind, particularly on the betterment of the standard of life for the working man engaged in economic activities in the traditional rural sector and in the informal urban sector to the basic needs of human life. The meeting urged that high priority be given to these programmes.

25. The foreign ministers noted that ASEAN countries have been actively involved in the deliberations on several on-going issues of interest to ASEAN in the various international fora where ASEAN representatives have worked closely together in common endeavours to contribute to the establishment of a new international economic order. In this connection, the meeting reviewed developments in the various UN fora relating to the integrated programme for commodities [IPC], and the common fund, and stressed the importance of commodities in the trade and economic life of the ASEAN countries as well as the urgency of finding solutions to the problems involved.

26. The foreign ministers expressed disappointment and concern at the tardiness in the establishment of the common fund, to which the international community as a whole has given its commitment, as well as the lack of progress in the preparation for negotiations on the individual commodities. They reaffirmed ASEAN's unreserved support of the position of the group of 77 on the basic elements of the fund, and its determination to work for an early resumption of the negotiating conference on the common fund and its successful conclusion. The foreign ministers urged the international community to renew its efforts towards realizing an early result on the common fund as a key instrument in attaining the agreed objectives of the IPC and further urged governments to move decisively towards appropriate action on the individual commodities under the IPC.

27. The meeting took note of the consultations which ASEAN has had with various negotiating partners especially the United States, the EEC and Japan within the framework of the Multilateral Trade Negotiations [MTN]. Noting that the MTN has now reached a crucial stage, the foreign ministers urged these countries to improve their offers with a view to achieving concrete and meaningful results of the negotiations in accordance with the principles of the Tokyo declaration which, among other things, stated that additional benefits be provided for the developing countries including ASEAN.

28. The foreign ministers reiterated their concern over the growing tendency towards protectionism in the field of international trade and urged the developed countries to take the necessary steps to improve their trade relations with ASEAN.
29. The meeting announced that the second ASEAN-United States dialogue shall be held at the ministerial level in Washington, D.C. on 3-4 August 1978.
30. The meeting agreed on the desirability of convening a ministerial meeting between ASEAN and the European Economic Community on 20 November 1978.
31. The foreign ministers welcomed the intention of the EEC and the United States to cooperate with ASEAN in further promoting the many common interests that ASEAN shares with these two dialogue partners. They also welcomed the interest shown by the EEC and the United States in supporting the growth and development of ASEAN as a viable and dynamic regional grouping of developing nations.
32. In reviewing progress on ASEAN cooperative relations with other developed countries, namely, Australia, Canada, Japan and New Zealand, and international organizations, the foreign ministers noted with satisfaction that encouraging results have been achieved in many areas. It noted, in particular, the offer of the Australian Government to host the first ASEAN-Australia industrial conference in Sydney on 19-21 June 1978 and the offer of the EC Commission to assist in the holding of the second ASEAN-EEC industrial conference in Jakarta in February 1979. The meeting believed these efforts would contribute to the increased flow of investment into the region.
33. The foreign ministers noted that approaches have been made by developing countries and regional groupings to establish dialogues with ASEAN and agreed to give appropriate consideration to the matter.
34. The meeting announced the appointment of Datuk Ali bin Abdullah of Malaysia as the new secretary general of the ASEAN Secretariat. His tenure of office will commence on 1 July 1978.
35. The meeting expressed its appreciation to the outgoing ASEAN secretary-general, Mr. Umarjadi Njotowijono for his fine work on behalf of ASEAN.
36. H.E. Ebia Olewale, minister of foreign affairs of Papua New Guinea and his delegation were present at the open sessions as observers to the eleventh ASEAN ministerial meeting. The minister of foreign affairs of Papua New Guinea and his delegation were guests of the Thai Government.
37. The twelfth ASEAN ministerial meeting will be held in Indonesia in 1979.
38. The delegations of Indonesia, Malaysia, the Philippines and Singapore expressed their appreciation to the people and government of Thailand for the warm and generous hospitality accorded to them and for the excellent facilities provided and efficient arrangements made for the eleventh ASEAN ministerial meeting.
39. The meeting was held in the traditional spirit of ASEAN solidarity and friendship.

Uppadit Interview

BK170955Y Bangkok Domestic Service in Thai 1300 GMT 16 Jun 78 BK

[16 June press interview with Foreign Minister Uppadit Pachariyangkun--recorded]

[Text] [Uppadit] I cannot say how the outcome of the ASEAN meeting which has just ended will benefit any single member of ASEAN; it will benefit ASEAN as a whole. The important thing is the unity among ASEAN nations and they have shown that they want to continue to cooperate with each other. This is demonstrated by our decision to hold talks with developed countries, such as with the United States and, on 20 November, with the EEC. Both of these talks will be at the ministerial level.

The meeting with the EEC will mainly involve trade and economic matters so that ASEAN countries will benefit more from their relationship with the 10 EEC member countries. Most of the EEC countries are markets for ASEAN products and ASEAN wants to further improve its markets there. The import tariff imposed by the EEC countries on ASEAN products will have to be discussed further.

In addition, there are the multilateral trade negotiations, which are the outcome of a suggestion from the UNCTAD meeting. These multilateral trade negotiations are currently at the so-called "Tokyo round" stage. In this stage the countries are discussing in Tokyo ways to liberalize world trade--to eliminate tariff and non-tariff obstacles to the expansion of trade. ASEAN members are making preparations for that meeting, where they will present a common stand.

[Question] Will Thailand or an ASEAN nation have to seek approval from the remaining ASEAN members if circumstances force it to ask for foreign military assistance?

[Answer] ASEAN is an association of nations for economic and cultural cooperation. We have never discussed any military topics. SEATO has ceased to exist. Therefore, problems involving the use of troops and the like will never surface, as there is no such agreement among ASEAN countries. ASEAN is an association of nations for economic and cultural cooperation for the betterment of their peoples' living standards.

[Question] What are the tangible benefits of the trade preferences allowed on the 71 and then 755 items of commodities?

[Answer] Thank you for bringing up an economic issue. If you study the joint communique issued at the end of this ASEAN meeting, you will notice that it deals largely with economic matters. What you asked earlier were all political subjects.

We should be pleased that all five ASEAN countries have agreed to reduce tariff rates among themselves for those some 700 items. This represents another step of progress. Why? Because we want to further expand inter-ASEAN trade.

Rithauddeen Interview

BK180440Y Bangkok NATION REVIEW in English 18 Jun 78 p 2 BK

[Excerpt of "exclusive interview" with Malaysian Foreign Minister Tengku Ahmad Rithauddeen bin Ismail by the NATION REVIEW in Phatthaya, Thailand on the night of 16 June]

[Text] Question: What is your opinion on the progress in the realization of a zone of peace in Southeast Asia?

Answer: Well, we have explained this concept, more or less, to the world at large, and during the past two years, ASEAN countries, Malaysia in particular, have been given the task of explaining the concept to Indochina, Vietnam in particular. During the past two years, I have made visits to Hanoi, Vientiane, and Phnom Penh to explain the concept. They (the Indochinese leaders) have also come to ASEAN countries. As far as Malaysia is concerned, we always seized the opportunities to explain this concept. We feel we are the sculptors of peace and stability in order that we can co-operate for the upliftment of economic position of our peoples.

Every country in Southeast Asia, which of course including Vietnam, Laos and Kampuchea, is expected to accept and recognise the Zopfan [zone of peace, freedom and neutrality] concept. Colombo was, of course, the test ground, that was in 1976. They (the Indochinese countries) seemed then to vigorously object to the concept. But after that, after contacts and dialogues, from my observation they have changed. They are prepared to listen. We have got this information (about Hanoi's proposal on its version of a zone of peace) from our ambassador in Hanoi.

There are two issues in this paper (the proposal): One, they are ready to come to future ASEAN meetings as observers, and secondly, they are prepared to talk on the concept of zone of peace, freedom and neutrality, but with an addition with the word of "independence". They (Hanoi) deleted the word "freedom" from the concept and substituted it with the word "independence". On the other hand, they are putting a condition that their four-point principle pertaining to their policy towards Southeast Asia in the zone of peace concept [sentence as published].

We (Malaysia) have found that the four-point principle has nothing inconsistent with the Zopfan concept.

So I regarded what had transpired as a "positive step" towards the whole of this area in two aspects: One, Vietnam is no longer in such a way against ASEAN, and secondly, they are quite to talk on Zopfan [sentence as published].

And I would like to explain that Zopfan is a concept that should be applied throughout Southeast Asia, it is not just for ASEAN countries, not to that areas of ASEAN countries who have subscribed. [sentence as published] It is meant, or intended to mean, to cover the whole area of Southeast Asia geographically defined.

Zopfan is not an ASEAN Project, it is not an exercise by ASEAN. It just happened that Zopfan was subscribed by ASEAN countries in 1971 in the Kuala Lumpur declaration. There should be no misunderstanding or confusion on this.

So my view on this is that they are positive. I feel that this is good to the region. They are beginning to prepare to talk to us and see what it means by our Zopfan. And we also at the moment should look at this proposal of Hanoi.

Question: So how will you propose ASEAN to look into Hanoi's proposal. Or do you think Malaysia, as a proponent of Zopfan concept, should begin to look into it bilaterally first?

Answer: Yes, first of all, Malaysia would like to look at it. Of course, there is no harm for the (ASEAN) Standing Committee as well as other four ASEAN countries who have subscribed to the Zopfan concept to look at it. Malaysia would pursue and enquire on Hanoi's proposal.

Question: Do you see any chance of Malaysia having bilateral discussions with Vietnam on this zone of peace question?

Answer: Yes, it is possible. We are looking into this possibility. We don't want to engage the whole ASEAN into this matter. For we have read between the lines of their proposal first.

We don't really know yet what they mean they accept ASEAN. So, we are also waiting for a full report on what they mean.

Question: In your opening and closing statements, you urged ASEAN to do away with the rhetoric and move ahead with substance. There have been speculations outside about these ASEAN industrial projects. Where do you see there is not enough actions that are related to these projects?

Answer: Well, you see I am little bit impatient. The ASEAN economic ministers have already approved Malaysia's Urea Project. And we are prepared to start it. That's why I feel that we must show more actions. Deeds speak louder than words.

I think ASEAN should go ahead with the projects selected as ASEAN projects. The Malaysian prime minister has emphasized many times that Malaysia wants to start implementing its urea project.

ASEAN has grown under the spirit of give and take. And I hope in the future this spirit shall prevail.

Question: There have been a lot of talks that Singapore's diesel engine project has been affected and they would just hold nominal shares in the other four ASEAN projects. This has caused fear in some people that the four other projects will be affected and in turn affect the overall structure of ASEAN. Do you think this is a serious problem?

Answer: I hope it is not a very serious problem. As far as Malaysia is concerned, we must go on with our Urea project... and we hope other ASEAN partners can also go on with their projects on the basis of the basic agreement that we all have agreed upon. Details of implementing their projects, I hope, can be worked out later on. I hope whatever loose end will soon be tied up. On the part of Malaysia, our urea project can be implemented without any obstacle.

Question: When will the signing of basic agreement and supplementary agreement for the urea projects in Malaysia and Indonesia be done?

Answer: This question is being handled by our economic people. We were thinking of signing them as soon as possible. I hope they can be signed within this year.

Question: In what other aspects that you think has been moving too slowly? [sentence as published]

Answer: This is something that I have been saying, ASEAN was born 10 years ago. It has been very cautious before it started to try to run or walk faster. At this moment, we are just in the middle of a period of trying to get ourselves able to walk. When we have started to walk, we can go faster. We are rather ambitious, we want to do a lot of things. But I would like to see officials concentrating on just a few projects first, giving proper priorities to projects. And actually, we have gone through a few projects with Australia and New Zealand.

In connection with the ASEAN industrial projects, I would say that none had really started. It is important that we should concentrate on these projects to see that they really take off.

Anyway, something has already been done this year, people are talking about implementing some of the projects.

Question: What will be the approach of ASEAN foreign ministers in their meeting with Japanese Minister Sonoda (yesterday)?

Answer: Japan has committed itself during Fukuda's tour of Southeast Asia last August. Many things were agreed in principle, such as financial assistance to ASEAN countries, improvement of trade relations.

There seems to be a kind of slowness in fulfilling all these commitments after nine months. The meeting (yesterday) would be an opportunity for ASEAN to explain to Japan our feeling. We will also tell Mr Sonoda to explain and identify what are the areas that Japan is giving priority.

The question of creating an ASEAN common fund will also be raised because Japan has yet to make its stand on this matter.

Question: Will there be any new request for Japan's commitment?

Answer: No. But we don't know if Japan will have anything to say, we have to listen to them first.

Question: Did the ASEAN ministerial meeting also discuss the question of ASEAN security?

Answer: No. We just exchanged our views on the regional situation. We do this quite casually.

Rajaratnam Criticizes Vietnam

BK170216Y Bangkok POST in English 17 Jun 78 p 3 BK

[Text] Singapore Foreign Minister S. Rajaratnam yesterday blasted the Vietnamese proposal of a "zone of peace, genuine independence and neutrality" as a "propaganda ploy."

Speaking at the end of the 11th ASEAN ministerial conference at Phatthaya he said that "today's news in regard to ASEAN is not about ASEAN as such, but is about a gesture put forward by somebody else towards ASEAN. They have made the news, not us."

He "congratulated" the Vietnamese on this ploy. It is strange that they had the banquet at the right time (in New York, where the proposal was made) and passed on the information at just the right time to coincide with the closing of this ASEAN meeting.

He said the ministers only learned of the Vietnamese proposal through the press. Later, Foreign Minister Uppadit Pachariyangkum said he had been notified by his representative in New York the previous day but did not know the details.

He said that the Vietnamese point about "genuine independence" in Southeast Asia presumes that some countries are not genuinely independent."

"We would like a clarification on this point, as to who they meant were not independent. Was it Vietnam, Laos, Cambodia, Thailand...?"

He added: "The other points are generally favourable to us and we are prepared to discuss on that basis."

Asked to comment on whether the Vietnamese proposal was a propaganda ploy, Dr Uppadit replied, good-naturedly: "This is too controversial; we have diplomatic relations with Vietnam, Singapore does not."

The proposal was supposed to have been made at a dinner in New York hosted by Vietnamese Deputy Foreign Minister Vo Dong Giang. Ambassadors of the ASEAN countries to the United Nations were reportedly invited as well as those of Burma and Laos.

Dr Uppadit said that Giang had apparently proposed four conditions for the creation of the new zone including non-interference from external influences, neutrality and "genuine independence" of member countries in the zone.

He said the proposal would be studied at the next meeting of the ASEAN Standing Committee.

"Then it will be submitted for consideration by all the members of ASEAN and then we will decide what to do."

Indonesian Foreign Minister Mochtar Kusumaatmadja said Hanoi's proposal had been passed on to him by the Vietnamese ambassador in Jakarta, but he had no time to study it in detail.

Philippine Foreign Minister Carlos Romulo said that the Vietnamese proposal indicated a change of attitude towards ASEAN. "This is welcome news," he remarked.

JAPAN'S FOREIGN MINISTER MEETS WITH ASEAN MINISTERS

OW171305Y Tokyo KYODO in English 1227 GMT 17 Jun 78 OW

[Text] Phatthaya, Thailand, 17 Jun KYODO--Foreign Minister Sunao Sonoda ended his one-day talks with his counterparts from the five-member Association of Southeast Asian Nations (ASEAN) here Saturday afternoon after discussing the international situation and Japan-ASEAN economic cooperation.

Conference sources said the foreign ministers agreed to increase their efforts for the promotion of mutually dependent relations between Japan and ASEAN based on Prime Minister Takeo Fukuda's promise to extend one billion dollars to help promote five ASEAN joint development projects. Fukuda made the promise during his visit to the ASEAN nations last year.

The foreign ministers also agreed that Japan, as the sole Asian nation to participate in the upcoming Bonn summit meeting of seven industrially advanced nations, will do its best to reflect ASEAN demands at the conference.

Sonoda and the five ASEAN foreign ministers agreed that the Japanese foreign minister will visit the five ASEAN nations this summer in order to brief them on the outcome of the forthcoming summit meeting. They also exchanged views on Japan's Asian policy giving top priority to those economic cooperation projects which are closely connected with ASEAN's regional development. After the meeting, a 10-point joint statement was issued to the press, stressing the joint efforts by five ASEAN nations and Japan to further enhance peace and prosperity of Southeast Asia.

Beside Sonoda, the meeting was participated in by Uppadit Pachariyangkun of Thailand, Sinnathamby Rajaratnam, of Singapore, Carlos P. Romulo of the Philippines, Tengku Ahmad Rithaudeen of Malaysia, and Mochtar Kusumaatmadja of Indonesia. The meeting was presided over by Uppadit.

At the outset of the meeting, Uppadit praised Japan for its positive efforts in increasing its governmental development assistance to the ASEAN members. Sonoda told Uppadit that prosperity in Asia was not only for Japan, and Japan's prosperity will eventually benefit the whole of Asia. Sonoda also briefed his counterparts on the outcome of the Japan-U.S. summit meeting held last May in Washington between Prime Minister Takeo Fukuda and President Jimmy Carter, and Japan's basic stand toward the upcoming seven-nation economic summit meeting scheduled for next month in Bonn. The meeting was followed by a luncheon hosted by the Thai foreign minister.

Comments on Sino-Soviet Rivalry

BK180331Y Bangkok NATION REVIEW in English 18 Jun 78 p 1 BK

[Text] Phatthaya--Japan has asked the United States not to exploit the Sino-Soviet rivalry "to an excessive extent" which may create a dangerous trend in the world. This message was conveyed by Japanese Foreign Minister Sunao Sonoda to the five ASEAN foreign ministers here yesterday when he briefed his ASEAN counterparts on the summit meeting in May, this year, between Japanese Premier Takeo Fukuda and U.S. President Jimmy Carter in Washington D.C.

Sonoda met ASEAN foreign ministers for about 3 hours during which he also expressed hope that Japan and China would resume negotiations in a positive manner over the proposed friendship treaty. Sonoda is due to be in Peking early next month to resume the long-delayed negotiations with China.

The Japanese foreign minister also told the ASEAN ministers that his country would take into account the interest and concern of the five ASEAN countries at the forthcoming summit meeting of industrialized nations in Bonn next month. Sonoda told the ministers that the United States was formulating its Southeast Asian policy and that countries in this region should not be in a haste to criticize the U.S. for the apparent lack of a firm policy towards this region at the moment.

Predicts Successful PRC Treaty

OW171325Y Tokyo KYODO in English 1235 GMT 17 Jun 78 OW

[Text] Phatthaya, 17 Jun (KYODO)--Foreign Minister Sunao Sonoda Saturday told the five foreign ministers of the Association of Southeast Asian Nations (ASEAN) that Japan was confident of settling the controversial hegemony issue in its resumed talks for a peace and friendship treaty with China. Sonoda and five ASEAN foreign ministers discussed for 90 minutes Chinese and Indochinese affairs over lunch Saturday. The luncheon was hosted by Thai Foreign Minister Uppadit Pachariyangkun.

At the meeting, Sonoda told his ASEAN counterparts Japan was ready to resume talks with China early in July in Peking for a peace treaty. Sonoda said the controversial hegemony clause to be included in the treaty was not to be directed against any third nation. It would be natural to believe that neither Japan nor China was seeking hegemony in Asia, Sonoda went on.

The foreign minister also stressed that Japan was making all-out efforts to strengthen its ties with China and the Soviet Union through separate talks for friendship treaties with them. But Japan was cautious to avoid getting involved in the current conflicts between Peking and Moscow, Sonoda said. The five ASEAN foreign ministers nodded their heads in agreement.

As to Japan's policy toward socialist countries of Indochina, Sonoda said Japan would always maintain its policy to give priority to ASEAN in matters of aid. He also pledged support to ASEAN's neutralization plan rather than a similar proposal made by Hanoi to the ASEAN nations.

17 June Press Conference

BK180553Y Bangkok Domestic Service in Thai 1300 GMT 17 Jun 78 BK

[Text] Japanese Foreign Minister Sunao Sonoda spoke to newsmen this afternoon after his meeting with the ASEAN foreign ministers in Phatthaya.

He said that Japan will participate in July in a meeting with developed countries in Bonn to discuss several economic issues. Japan will also present ASEAN's views during that meeting.

As for following up on the ASEAN projects in accordance with the agreement reached during the meeting between ASEAN government leaders and the Japanese prime minister in Kuala Lumpur, Japan has fulfilled its commitments in that agreement. Projects under that agreement which have received initial action include the urea projects in Indonesia and Malaysia, the soda ash project in Thailand and the diesel engine assembly project in Singapore. New projects will be given immediate financial assistance from Japan as soon as proposals are submitted by the ASEAN countries.

The Japanese foreign minister reported that the concept of a zone of peace was also discussed with the ASEAN foreign ministers and that Japan supports the ASEAN concept of establishing a zone of neutrality in this region. However, the realization of peace in this region will be dependent on cooperation among the ASEAN countries.

On the refugee issue, Japan has already granted \$10 million through the United Nations high commissioner for refugee affairs. It is difficult to settle refugees in Japan, because Japanese law prohibits permanent settlement of foreigners on Japanese soil. This matter is being studied, however.

The Japanese foreign minister was to meet with Thai Foreign Minister Uppadit Pachariyangkun after the interview. They were to discuss Thai-Japanese economic issues, probably including Thailand's trade deficit with Japan and various projects under financial assistance from Japan. Meanwhile, the Japanese foreign minister hosted a dinner in honor of the ASEAN foreign ministers at the Royal Cliff Beach Hotel.

Communique on Talks

BK171512Y Bangkok Domestic Service in Thai 1300 GMT 17 Jun 78 BK

[Text] The joint communique issued by Japanese Foreign Minister Sunao Sonoda and the ASEAN foreign ministers today following their meeting in Phatthaya said the Asian situation was reviewed during their discussions. For both ASEAN and Japan, stability and prosperity in Asia are important.

The meeting agreed that Japan and ASEAN will continue to try to promote peace and prosperity in Southeast Asia. The ASEAN foreign ministers and the Japanese foreign minister exchanged views on major international economic issues and agreed it is important for the economic development of ASEAN countries that there be a rejuvenation of the world economy, a reduction of import tariffs by developed countries for products from developing countries and a promotion of international free trade.

In this light, the Japanese foreign minister described to the ASEAN foreign ministers the stand Japan will take at the summit meeting of the industrialized nations which will be held in Bonn in July 1978.

The two sides reviewed the progress of ASEAN-Japan cooperation. The ASEAN foreign ministers expressed their appreciation for Japanese Government measures beneficial to ASEAN, including that government's voluntary donation to the fifth international tin agreement's buffer fund, the promulgation of regulations on the origin of common goods produced by ASEAN nations, and the projected establishment of a center for joint ASEAN-Japanese cooperation in trade, tourism and investment promotion in Tokyo.

Sonoda emphasized Japan's interest in ASEAN projects which are aimed at providing stability to their export earnings. Japan pledged to fully support and guarantee the third meeting on the common fund negotiations.

The ASEAN foreign ministers expressed hope that Japan would creatively respond to ASEAN's appeals. Japan is ready to provide financial assistance to help materialize the ASEAN industrial projects, in accordance with the communique issued on the meeting between ASEAN government leaders and the Japanese prime minister in Kuala Lumpur last year. It pledges to provide necessary technical assistance to those projects.

Japan acknowledges with pleasure the projected formation of an inter-ASEAN cultural study group and the progress made in the cultural field. It emphasizes that it is ready to donate 5 billion yen to the ASEAN cultural fund to assist ASEAN efforts to promote inter-ASEAN cultural cooperation. This donation will be made in installments every year.

The ASEAN foreign ministers reported on the progress in ASEAN cooperation, as noted in the outcome of the 11th ASEAN ministerial meeting. Japan appreciates that progress and intends to promote cooperation with ASEAN on an equal footing. Both sides agreed that the meeting provided a good opportunity for both sides to discuss various forms of mutual cooperation and resulted in good understanding on topics of mutual interests.

NATION REVIEW Report

BK180355Y Bangkok NATION REVIEW in English 18 Jun 78 pp 1, 3 BK

[By Suthichai Yun and Thoemsak C. Phalanuphap]

[Text] Phatthaya--Japan was yesterday reminded in no uncertain terms of her "geopolitical vulnerability" and was told to take the five-member Association of Southeast Asian Nations more seriously while acting as a spokesman" for ASEAN in international forums whenever possible.

The frank message was delivered during a 3-hour closed-door session between ASEAN foreign ministers and Japanese Foreign Minister Sunao Sonoda at the Royal Cliff Beach Hotel.

Sonoda, who told the ASEAN ministers that his name means "frank and honest" in Japanese, promised to exercise his influence and power in Japan to consider assistance and cooperation more seriously and on a more substantial basis.

During the meeting, Singapore Foreign Minister S. Rajaratnam reminded Sonoda of Japan's vulnerable position vis-a-vis other industrialized countries. Rajaratnam put across the concept that Japan's policy should consider Southeast Asia her important factor. Rajaratnam pointed out that immediately after World War I, there was only one communist country in Asia but a large number of nations became communist after World War II. He urged Japan to keep lasting interest in Southeast Asia to prevent the advance of communism in the region.

In case of an international crisis, the U.S. could pull back onto its own continent and Europe could also maintain a reasonable degree of self-sufficiency in the same circumstances, he said. But, Rajaratnam told Sonoda, Japan, in case of an international crisis, could not withdraw from Asia. Sonoda was also told that Japan's lifeline of energy supplies from the Middle East could also be cut off in case of a crisis. Japan may also be isolated from the United States with the increasing naval build-up of the Soviet Union, Rajaratnam told Sonoda.

In a frank statement, Rajaratnam said that Japan should, considering all the vulnerable points of that country, develop a long-term viable policy towards Southeast Asia--"and not wait to provide a sick man with blood transfusion just as the patient is dying."

Thai Foreign Minister Uppadit Pachariyangkum urged Japan to maintain continuity of the pledges made by Japanese Prime Minister Takeo Fukuda last year. He insisted that Japan should follow up and follow through the promises of assistance and cooperation. He also pointed out to Sonoda that Thailand, considering its geographical position, has played a vital role for the stability and peaceful conditions of the region.

The Philippines Foreign Affairs Minister Carlos Romulo told his Japanese counterpart in the meeting, which ended at 1:00 pm, that Japan, apart from taking the geopolitical concept into account, should also take heed of the "psychological aspect" of her role in the region. Romulo pointed out that Japan, despite her defeat after the war, had successfully disproved the "myth of invincibility of Europe." [as published] The Philippine foreign minister urged Sonoda, who called himself "a new foreign minister but quite powerful in a sense," to exercise his influence and power back in Japan to convince them of the importance of Japan's helping Southeast Asia to become strong and stable.

Malaysian Foreign Minister Tengku Ahmad Rithauddeen then took the floor and urged Japan to act as "spokesman" for ASEAN at international forums so that the case of the five member countries could be presented to the industrialized countries. Observers saw ASEAN's call for Japan's support in this respect as assuming the role of "moderating intermediary." Sonoda reacted to the suggestion favourably, according to informed sources.

Indonesian Foreign Minister Mochtar Kusumaatmadja raised the question of "protectionism" in the developed world and urged Japan to help blunt such a growing trend. He also enquired into developments of specific projects for which Japan had offered assistance.

Sonoda, calling the ASEAN-Japan ministerial meeting an "open-neck" diplomatic exercise (all participants were in casual attire), responded by confirming his government's determination to implement all assistance projects offered by Fukuda.

He, however, sought "sympathetic understanding" from his ASEAN counterparts on the fact that he would have to painstakingly convince Japanese industrialists and businessmen, politicians and various interest groups, to his side of thinking about Southeast Asia.

Indonesian Foreign Minister Kusumaatmadja pointed out that since the ruling Liberal Democrat Party is enjoying a comfortable majority in the parliament, it should not be too hard a task for the Japanese Government to pursue its policy towards ASEAN more effectively.

FOREIGN MINISTRY NOTE PERMITS ENTRY OF PRC EVACUATION SHIPS

BK190547Y Hanoi Domestic Service in Vietnamese 0400 GMT 19 Jun 78 BK

[Text of 19 June Note From the Ministry of Foreign Affairs to the PRC Embassy in Vietnam]

[Text] The 19 June 1978 note of the SRV Ministry of Foreign Affairs to the Chinese Embassy in Vietnam on allowing Chinese ships to enter Vietnamese ports;

Respectfully to the PRC Embassy in Vietnam, Hanoi;

The SRV Ministry of Foreign Affairs respectfully conveys its salutations to the PRC Embassy in Vietnam and informs the embassy of the following urgent matters:

On 5 June 1978, the Vietnamese Government announced that it would allow Chinese ships to enter Vietnamese ports after they fulfill all procedures provided for in Vietnamese laws vis-a-vis foreign ships. Starting from 20 June 1978, Chinese ships will be allowed to enter ports designated by the Vietnamese side to receive those Hoa people desiring to leave Vietnam for China. At the same time, the Vietnamese side notified the Chinese side that it was ready to receive a Chinese team in Vietnam to discuss specific matters related to the arrangements to be made for the departure of those Hoa people desiring to go.

On 12 June 1978, the Chinese Government answered, saying that it had agreed to the Vietnamese side's authorization for Chinese ships to come to Vietnamese ports on 20 June 1978. At the same time, the Chinese Government informed the Vietnamese side that the Chinese Embassy in Vietnam would be responsible for discussing with the Vietnamese side specific matters concerning the reception of the Hoa people.

On 13 and 16 June 1978, the head of the Consulate Department of the Vietnamese Ministry of Foreign Affairs notified the representative of the Chinese Embassy of and handed him a document listing six extremely important specific points related to the sending of Chinese ships to Vietnam to transport Hoa people to China. These six specific points are:

1. Chinese ships coming to Vietnam to receive Hoa people desiring to leave Vietnam for China, when arriving at Buoy No 0 [confirm 0] of Haiphong port and Buoy No 9 of Ho Chi Minh City, will be guided by Vietnamese pilots in reaching the places where they will be anchored. The maximum time allowed to Chinese ships to anchor in Vietnamese ports and to the Hoa people to board those ships will be 3 days. During the comings and goings of Chinese ships as well as during the period when these ships are at anchor, they and their crews must comply with the laws of Vietnamese ports.

2. Chinese ships will be allowed to go to Vietnam to bring Hoa people back to China for a period of 3 months, starting from the first shipment of 20 June 1978.

In order to facilitate arrangements, we would like to know as soon as possible the timetable for the arrival of Chinese ships in Vietnam to pick up Hoa people, the number of trips to be made according to this timetable, the number of ships to participate in each trip and the capacity of each ship. First of all, we must know how many people will be able to leave on the first trip so that we can ask localities to establish a namelist of people who will be leaving on this trip and keep you informed.

3. Before the Chinese ships enter Vietnamese waters on each particular trip, we will notify the Chinese Embassy of the namelist of Hoa people who will be leaving Vietnam on that trip. Each Hoa family leaving Vietnam will be issued exit papers. Hoa people leaving Vietnam for China will be guided by responsible sectors in Vietnam to a staging area before boarding ships.

4. The Chinese Embassy is requested to promptly give us a namelist of cadres who will come to Haiphong and Ho Chi Minh cities to work with us in arranging for Hoa people to board the ships and to witness them leaving Vietnam for China.

5. To facilitate the departure of Hoa people for China and to spare them some expense, we have decided to open the Qui Nhon port to Chinese ships. We would like to know the Chinese side's opinion on this matter.

6. Chinese and foreign press and television reporters who want to be at the ports when the Hoa people board ships to leave Vietnam for China must obtain authorization from the Vietnamese Foreign Ministry in advance, and comply with SRV Government regulations on foreign reporters.

But to date, 19 June 1978, the Chinese Embassy has yet to answer and discuss these issues with the Vietnamese side. The SRV Ministry of Foreign Affairs demands that the Chinese Embassy meet immediately with the Vietnamese Ministry of Foreign Affairs to discuss specific matters and promptly prepare for the first Chinese ship and subsequent Chinese ships to come into Vietnamese ports to receive the Hoa people desiring to leave Vietnam for China.

The Vietnamese Ministry of Foreign Affairs is making the following additional announcement: The wharves at which Chinese ships will anchor are the Chua Ve wharf in the Haiphong port area, the Vung Tau wharf in the Ho Chi Minh City port area and Qui Nhon port.

On this occasion, the SRV Ministry of Foreign Affairs conveys to the PRC Embassy in Vietnam its respectful salutations.

Hanoi, 19 June 1978, the SRV Ministry of Foreign Affairs.

FOREIGN MINISTRY TO ALLOW OPENING OF NEW PRC CONSULATES

OW181707Y Hanoi VNA in English 1641 GMT 18 Jun 78 OW

[Text] Hanoi, 18 Jun (VNA)--The Vietnamese Embassy in Peking in December 1976 informed the Chinese Foreign Ministry that the Vietnamese Government had agreed in principle to the Chinese Government establishing a consulate-general in Haiphong city and another in Ho Chi Minh City. On June 16, 1978, the Vietnamese Foreign Ministry handed over to the Chinese Embassy in Hanoi the note it sent on June 15, 1978 to the Chinese Foreign Ministry, informing the Chinese side that the Vietnamese Government had agreed to the Chinese Government establishing a consulate-general in Ho Chi Minh City early in the fourth quarter of 1978.

PRC CLOSES SRV CONSULATES IN CANTON, NANNING, KUNMING

BK191212Y Hanoi Domestic Service in Vietnamese 1110 GMT 19 Jun 78 BK

[Text] Dear Friends: On 17 June 1978, the PRC Ministry of Foreign Affairs handed over a note dated 16 June 1978 through our embassy in Peking to our Ministry of Foreign Affairs informing it of the PRC Government's decision to have the Vietnamese consulates in Canton, Nanning and Kunming end their activities and withdraw all of their cadres and personnel to Vietnam in the shortest period of time.

Today, 19 June 1978, our Foreign Ministry has sent a note to the PRC Foreign Ministry concerning this matter. The full text of this note follows:

Respectfully to the PRC Ministry of Foreign Affairs, Peking, the DRV Ministry of Foreign Affairs conveys its salutations to the PRC Ministry of Foreign Affairs and clearly expresses its views on the PRC Foreign Ministry's 16 June 1978 note as follows: Vietnam and the PRC established diplomatic relations in 1950. The DRV Government and the Government of the Chinese People's Republic agreed on the establishment of Vietnamese consulates in the cities of Kunming and Nanning in 1955 and in Canton in 1956.

For more than 20 years the activities of the Vietnamese consulates have positively and effectively contributed to consolidating and strengthening the friendly solidarity and the brotherly cooperation between the peoples of the two countries, especially between the peoples in the provinces in the border areas of the two countries. Recently, following scores of wrongs committed against Vietnam, the PRC Government decided to have the three Vietnamese consulates in the PRC end their activities and withdraw all their cadres and personnel to Vietnam in the shortest period of time. This is another extremely serious action by the PRC side concerning the relations between the two countries.

It is necessary to point out that the PRC side's claim that the Vietnamese side's refusal to make arrangements for the PRC cadres to establish their consulate in Ho Chi Minh City justifies the above-mentioned decision is a pretext and is completely false. Concerning the fact that the PRC side has been requesting the establishment of general consulates in Haiphong municipality, Ho Chi Minh City and Danang municipality since December 1976, the Vietnamese side has answered that it has agreed to the PRC's establishment of general consulates in Haiphong municipality and Ho Chi Minh City and that it will study the PRC's request for the establishment of a general consulate in Danang.

A total of 18 months have elapsed since then. The PRC side has not yet established a general consulate in Haiphong municipality. Concerning the establishment of the PRC General Consulate in Ho Chi Minh City, the Vietnamese side has informed the PRC side that this consulate will be established at the beginning of the fourth quarter of 1978. Obviously, on the basis of the friendly relations between the two countries, the Vietnamese side has made utmost efforts to overcome difficulties to appropriately respond to the PRC side's request.

Now the PRC side has used the pretext that the Vietnamese side has not yet allowed the PRC to establish a general consulate in Ho Chi Minh City as desired by the PRC side to abrogate the agreement between the two countries, thus forcing the Vietnamese side to withdraw its general consulates. This is an extremely unreasonable action. This unilateral decision by the PRC side has further worsened relations between the two countries and has seriously sabotaged the traditional friendship between the peoples of the two countries. The PRC side must be held entirely responsible for this situation.

The Vietnamese Government has directed the Vietnamese general consulates in the PRC to make arrangements for their cadres and personnel to return home and has requested that the PRC Government take effective measures in conformity with international law and customs to insure their safety pending their departure from PRC territory. Concerning the Vietnamese residents falling under the management of the above-mentioned general consulates, it is requested that the PRC Government protect their lives, property and legitimate interests.

On this occasion, the DRV Foreign Ministry conveys its respectful salutations to the PRC Foreign Ministry. Hanoi, 19 June 1978.

NHAN DAN LINKS 'RUMOR-MONGERS' WITH PRO EMBASSY

OW180754Y Hanoi VNA in English 0732 GMT 18 Jun 78 OW

[Text] Hanoi, 18 Jun (VNA)--The Chinese Embassy in Hanoi has close ties with rumor-mongers who forced Hoa people to flee to China and one of whom, Tran Hoat, had been arrested by Vietnamese authorities. This was disclosed by the Hanoi newspaper NHAN DAN yesterday (June 17) in a frontpage article entitled "Who Leads and Organizes the Forceful Exodus of Hoa People?"

The paper said: "In our issue of June 7, 1978, we printed excerpts from confessions by a number of bad elements among the Hoa people who had enticed and driven Hoa people into an exodus to China. With a self-restraint aimed to lessen the harm to the long-standing relations between the Vietnamese and Chinese peoples, which the Chinese authorities have deliberately been undermining, we then thought it was still inopportune to make known all facts and details that would point to the secret hand behind all that had been happening."

We also thought that the stories we published might be sufficient to bring repentance to those who were involved. We thought that these people, if they still had some conscience, might feel ashamed each time they repeated old lies and slanders.

"On June 15, Radio Peking kept broadcasting a commentary by a HSINHUA reporter entitled 'What's Behind the Mass Return of Chinese Residents from Vietnam?' which hurled new slander: 'The Vietnamese authorities are motivating Chinese residents to return to China'."

Ironically, this new contention was based on suggestions made to "victimized Chinese" who were to speak the way that best suited the HSINHUA NEWS AGENCY. These include: "a public security man in (Vietnam's) Lao Cai town said that his superiors had instructed public security personnel to persuade Chinese residents to go home," and "Vietnamese security personnel said the Central Committee of the Communist Party of Vietnam had issued instructions to persuade all Chinese residents to go home", and so on....

Who leads and organizes this forced exodus? Both handwritten and tape-recorded confessions by Tran Hoat, agitation expert of the aforesaid gang who was caught red-handed in forcing Hoa people to flee Vietnam, clearly point to the close ties between these bad elements and the Embassy of the People's Republic of China in Hanoi.

"In the next issues, we will give some more concrete details of the case of Tran Hoat and his accomplices in many parts of the country so that readers can know more and more about the truth".

Further Report

OW190815Y Hanoi VNA in English 0801 GMT 19 Jun 78 OW

[Text] Hanoi, 19 Jun (VNA)--The newspaper NHAN DAN today publishes more information which shows that those implementing the policy of forcing Hoa people to leave Vietnam have close ties with the Chinese Embassy in Hanoi. The paper once again refutes the slanderous contentions of HSINHUA NEWS AGENCY on June 14 that the rumormongers are actually "instigated by the Vietnamese authorities" and "are acting on orders from their (Vietnamese) superior." This allegation was taken up by the PEOPLE'S DAILY and KWANGMING DAILY.

NHAN DAN says: "If we accept this logic, the rumormonger Tran Hoat and others of his gang who were caught red-handed by the Vietnamese security office fall into the category of 'Vietnam's henchmen' in 'the biggest anti-China campaign in history' as claimed by the Chinese-language paper HSINWEN DAILY in Hong Kong.

Tran Hoat confessed that he and Quan Gia Nghia, another gang member, fetched newspapers, books and other publications from the Chinese Embassy in Hanoi for Ly Nghiep Phu, their immediate superior. Tran Hoat said the papers and documents weighed many tons and included maps of Chinese territory drawn according to the Chinese authorities' viewpoint and printed in China.

Ly Nghiep Phu has confirmed the details of Hoat's confession. Ly Nghiep Phu and Tran Hoat were classmates at the Hanoi teachers' school for Chinese residents. After graduating from this school and working for some time in Hanoi, Ly Nghiep Phu clandestinely left for China and was afterwards sent to Kampuchea. When the situation in Kampuchea changed, he was ordered to Saigon--Ho Chi Minh City--where he colluded with bad elements among the local Hoa people in provoking disturbances.

Ly Nghiep Phu confessed that Tran Hoat, Quan Gia Nghia, Ly Dao Le, On Thinh Nam and others had taken Chinese publications from the Chinese Embassy in Hanoi to him in Saigon. Inversely Tran Hoat was charged with transferring gold from Ho Chi Minh City to the suppliers of these propaganda materials (of course, the background and the activities of these persons are not confined to the above facts).

Ly Nghiep Phu, Tran Hoat, Quan Gia Nghia, Ly Dao Le, On Thinh Nam, etc. are obviously executors of orders from higher quarters, NHAN DAN points out.

FOREIGN MINISTRY ISSUES COMMUNIQUE ON MAY-JUNE NOTES WITH PRC

00171615Y Hanoi VNA in English 1542 GMT 17 Jun 78 OW

[Text] Hanoi, 17 Jun (VNA)--The Ministry for Foreign Affairs of the Socialist Republic of Vietnam today issued the following communique:

The Ministry for Foreign Affairs of the People's Republic of China on June 9, 1978 issued a statement bringing out in the open the unilateral decision of the Chinese Government to "cancel part of its complete-factory aid projects to Vietnam allegedly "to divert the funds and materials to the purpose of making arrangements for the life and productive work of the returned Chinese expelled by Vietnam.

The Ministry for Foreign Affairs of the Socialist Republic of Vietnam deems it necessary to publish the notes exchanged between the Vietnamese Government and the Chinese Government on this question in order to clarify the truth.

Note

Addressed by the Government of the
Socialist Republic of Vietnam to the Government
of the People's Republic of China

The Government of the Socialist Republic of Vietnam presents its compliments to the Government of the People's Republic of China and has the honour to clearly express its views regarding the May 30, 1978 note of the Government of the People's Republic of China as follows:

1. On May 12, 1978, the Chinese Government decided to cancel its aid to Vietnam regarding 21 projects with complete equipment, allegedly to use the money to make arrangements for the life and work of the Hoa people "expelled" from Vietnam to China. Less than 20 days later, in its May 30, 1978 note, the Chinese Government, under the pretext of "continued expulsion" of Hoa people by Vietnam, decided again to cancel 51 more projects with complete equipment as well as the amount of money to be used for these projects.

Thus, in the course of a short period, the Chinese Government has cancelled its aid regarding almost all projects with complete equipment, withdrawn a great number of Chinese specialists, and cancelled a series of agreements between the two governments. These unilateral decisions of the Chinese side constitute an extremely serious action in the relations between the two countries.

As has been repeatedly pointed out by the Vietnamese side, during the long revolutionary struggle against imperialism and in the construction of socialism, the Vietnamese and the Chinese peoples have always supported and assisted each other.

The precious support and assistance of the Chinese party, government, and people brought a major contribution to the Vietnamese people's victory in their great patriotic war against U.S. aggression. This is something that the Vietnamese people will never forget.

The Vietnamese people's staunch struggle and victory against the U.S. imperialist aggressors constitutes a worthy contribution to the revolutionary cause of the working class and the oppressed peoples throughout the world. This is something that has been recognized by the whole of progressive mankind.

The Chinese side has said on many occasions: "The Chinese Government has hitherto considered its aid to other countries not as a unilateral benefaction, but as mutual aid". Chairman Mao also said: "The Chinese people and the Chinese Communist Party must be grateful to the Vietnamese people for having defeated U.S. imperialism; Vietnam's victory has compelled Nixon to come to Peking".

Prime Minister Chou En-lai also said: "The Vietnamese people are waging a war of resistance and are shedding blood at the frontline against the U.S.; this is very great support for the Chinese people in their socialist revolution and construction of socialism. The Chinese people must thank you, comrades. As for the Chinese people's aid to your war of resistance against U.S. aggression for national salvation, and to your construction of socialism, it is a proletarian internationalist duty that we cannot avoid; it is something that we must accomplish."

However, soon after the Vietnamese people's complete victory, the Chinese side pursued a policy contrary to the tradition of solidarity and friendship between the two peoples. While the Vietnamese people are making every effort to heal the wounds of war and to overcome the difficulties caused by natural calamities, and when there is a world-wide people's movement to contribute to the reconstruction of Vietnam, the Chinese Government has followed a policy of cutting its aid to Vietnam and abolishing what it has solemnly committed to undertake.

It is necessary to point out that the reasons invoked by the Chinese side to cut its aid to Vietnam are completely at variance with the truth. It is the Chinese side that has fabricated the myth of Vietnam "ostracizing, persecuting, expelling" Hoa people, to have a pretext to cut its aid, allegedly to use this money and materials to make arrangements for the work and life of "the victimized Chinese residents' expelled to China by Vietnam." This is a premeditated action and a perfidious manoeuvre against Vietnam.

2. Over the past decades, the Vietnamese party, government and people have unwaveringly treasured and done their utmost to preserve and consolidate the militant solidarity between the peoples of Vietnam and China. In spite of the differences between Vietnam and China over the past several years, for the sake of friendship between the two countries, Vietnam has neither said nor done anything detrimental to that friendship.

Even regarding the question of Hoa people in Vietnam, the present subject of difference between Vietnam and China, having in view the interests of the two countries, Vietnam has sincerely proposed an early meeting between the representatives of the two parties and governments to settle that difference, but the Chinese side has rejected that proposal.

While the Vietnamese side has shown goodwill in its attitude and actions, the Chinese side, on the contrary, has ceaselessly given all-round support to the Kampuchean authorities in launching their border war of aggression against the Vietnamese people; it has slanderously accused Vietnam of "ostracizing, persecuting, expelling" Hoa people. It has carried out provocative propaganda among the Chinese people in an attempt to arouse hatred between the two nations, and at the same time it has rejected the Vietnamese proposal for negotiation, has cut almost all its aid to Vietnam and has continuously attacked and slandered Vietnam on the international arena. These self-evident facts show that the Chinese side is carrying out an anti-Vietnamese policy aimed at causing difficulties and obstacles for the peaceful construction of the Vietnamese people and sabotaging the tradition of solidarity and friendship between the two peoples.

The relations between Vietnam and China have now seriously deteriorated; the Chinese side must bear full responsibility for that.

3. The Vietnamese people's friendship towards the Chinese people is based on a Marxist-Leninist and proletarian internationalist position. Even in the period when the relations between the two countries were undermined by bad elements, the Vietnamese people firmly maintained that faithful and pure revolutionary feeling. And today, despite the difficulties and complications caused by the Chinese side, the Vietnamese people, imbued with the spirit of genuine patriotism and proletarian internationalism, are determined not to be incited by narrow-minded nationalism and will do their utmost to defend the long-standing friendship between the two peoples.

In their history of revolutionary struggle for national defence and construction, the Vietnamese people have experienced periods of extreme difficulty and hardship before achieving the present complete victory. Holding aloft the banner of national independence and socialism, firmly maintaining their line of independence, sovereignty and international solidarity, enhancing the spirit of self-support and self-reliance, and enjoying assistance from their brothers and friends the world over, the Vietnamese people are sure to successfully defend and build a peaceful, independent, unified and socialist Vietnam, thus making a worthy contribution to the world people's struggle for peace, national independence, democracy and social progress.

The Government of the Socialist Republic of Vietnam avails itself of this opportunity to renew to the Government of the People's Republic of China the assurances of its high consideration.

Hanoi, June 17, 1978.

To: The Government of the People's Republic of China, Peking

The Government of the Socialist Republic of Vietnam presents its compliments to the Government of the People's Republic of China and has the honour to bring the following to its knowledge:

On May 12, 1978 the Chinese Foreign Ministry sent a note to the Vietnamese Embassy in Peking, informing it of the Chinese Government's decision to cut off the financial aid and complete equipment for 21 projects. The reason put forward by the Chinese side was that the amount of money would be used to arrange for the work and life of the Hoa people who had been "expelled" back to China.

The Government of the Socialist Republic of Vietnam was extremely surprised and regretful on learning of this decision, because by a mere note of its Foreign Ministry, the Chinese side has unilaterally abolished the agreements between the leaders of the two parties and governments. The Vietnamese Government deems it necessary to express its view as follows:

1. Hitherto, in the struggle against imperialism and in the building of socialism, the peoples of Vietnam and China have always supported and helped one another. The great, valuable and effective assistance extended by the party, government, and people of China to the Vietnamese people was an important contribution to the great victory of the Vietnamese people's struggle against U.S. aggression, for national liberation. That victory is also the common victory for the two peoples, beneficial to the national defence and socialist construction of both Vietnam and China.

After the signing of the Paris agreement on Vietnam, in the June 1973 talks between the delegation of the party and Government of Vietnam and the delegation of the party and Government of China, Comrade Chou En-lai solemnly pledged, on behalf of the party and Government of China, to continue their gratuitous aid to Vietnam at the 1973 level for five more years.

After the complete victory of the Vietnamese revolution, in pursuance of President Ho Chi Minh's testament, a high-ranking delegation of the Vietnamese party and government paid a visit to China to express their profound gratitude to the Chinese party, government and people for their assistance and at the same time to propose long-term cooperation in many fields with China at the new stage. The Vietnamese side has earnestly asked the Chinese side to continue its aid for a number of years more as promised in order to help the Vietnamese people heal the wounds of war, rehabilitate and develop the economy and rebuild the country. But it is regrettable that China has not responded to that request by Vietnam.

Since the end of 1975, China has stopped its nonrefundable aid to Vietnam and since 1977 it has also cut off its loans. At the same time, the Chinese side appeared to have many difficulties in implementing the aid which had been agreed upon some years ago.

With regard to the projects now under construction, the Chinese leaders has promised to abide by the principle of activity and considered it their international obligation which they ought to fulfil. But in reality, the delivery of designs was late, the procurement of machines and equipment either delayed or non-homogenous. Chinese experts, on many occasions, had no work; therefore the construction of many projects proceeded slowly, greatly affecting construction plans and the putting into operation of those projects. The Vietnamese side has repeatedly requested the Chinese comrades to take active measures aimed at stepping up the speed of construction of the projects, but the aforesaid situation has not been improved.

In the meantime, the Chinese side has created unnecessary difficulties to the normal activities of Chinese experts working in Vietnam. On May 4, 1978 the Chinese comrades stated that the Vietnamese had been unfriendly in taking "unilateral action" with regard to the suicide of Chinese expert Tang Hsuen-wei working in the Vinh Phu textile plant. Using something which was completely untrue as a pretext, China has withdrawn all its experts working in that plant before their term expired.

Following a series of such incidents, the Chinese Government's decision to cancel a number of projects with complete equipment clearly lies in the framework of its intentions to reduce its aid to Vietnam.

2. We have carefully studied the allegations mentioned in the Chinese note saying that Vietnam was "ostracizing, persecuting, and expelling" Hoa people. They are completely contrary to the truth and to the policy of the party and government of Vietnam; they are used only as a pretext for China to put into effect its intention to cut off aid to Vietnam.

As you have know, since 1955, the Central Committee of the Chinese party and the Central Committee of the Vietnamese party have agreed that the Chinese residents in Vietnam would be placed under the leadership of the Vietnam Workers' Party and would gradually become Vietnamese citizens. Over the past 20 years and more, the Vietnamese party and government have always respected and correctly implemented that agreement. The Hoa people in Vietnam have had the same rights and obligations as Vietnamese citizens. In no other country in the world have Hoa people been as favoured and well-treated as in Vietnam.

The majority of Hoa people in Vietnam are workers employed in Vietnamese collective production organizations, such as agricultural and handicraft cooperatives or state-run enterprises. Thousands of Hoa people have become cadres and members of the Communist Party of Vietnam; many of them have held leading positions at various levels of the party, administration, Fatherland Front and mass organizations.

Their children study in Vietnamese schools and universities as do Vietnamese children, and a great number of them have become engineers, doctors and high-level technicians working in various economic branches of Vietnam. In the emulation movement in production, hundreds of cadres and workers among Hoa people were elected "emulation fighters"; some were even awarded the title "labour hero".

Hoa people have taken part in the struggle against U.S. aggression for national liberation and in socialist construction, making their worthy contribution to the common cause of the Vietnamese nation. The Vietnamese party and government have highly appreciated the contribution of Hoa people, and have always cultivated among the Vietnamese people the spirit of solidarity, respect and mutual affection and assistance between the Viet and Hoa people, who have lived in harmony together in the great family of socialist Vietnam.

Deeply treasuring the friendship between Vietnam and China and imbued with their tradition of humanity, the Vietnamese people have given care and assistance to thousands of Chinese residents persecuted and expelled by the Kampuchean authorities who have taken refuge in South Vietnam, and have shared with them every means of living.

Since the Vietnam-Kampuchea incident began, rumours have been spread among Hoa people that "China supports Kampuchea against Vietnam, large-scale war will break out, Hoa people in Vietnam will suffer losses; they must therefore find ways to leave Vietnam quickly", "the Chinese Government calls on Overseas Chinese to their country", etc. This is precisely what has caused many Hoa people who have been living peacefully in Vietnam to suddenly return en masse to China in an illegal manner, although the local Vietnamese administration and people have advised them to stay on without anxiety, and not listen to the bad elements' rumours.

We have enough evidence about the acts of the bad elements among Hoa people who have received, instigated, threatened and coerced Hoa people in an attempt to sabotage production, create difficulties to the economy and the Vietnamese people's life and to sow division between the Viet and Hoa people, which is detrimental to the friendship between Vietnam and China. After returning to China, many Hoa people have escaped back to Vietnam. This clearly shows that they were not expelled by Vietnam but they were deceived into going.

After being ravaged by war for many years, the Vietnamese people have now entered the stage of rebuilding their country, and have to overcome countless difficulties so they have no reason to "expel" Hoa people in order to bring more economic and social difficulties upon themselves. There is also no reason and no interest for Vietnam to create complications in its relations with neighbouring socialist China which has stood shoulder to shoulder with Vietnam in the protracted revolutionary struggle of each country.

We deeply regret that the Chinese comrades, on the basis of false reports and under the pretext that Vietnam has "ostracized Hoa people", have come to a serious unilateral decision unprecedented in the relations between the two countries. That decision has caused Vietnam many great immediate difficulties, but what is more serious is that it has damaged the age-old friendship between the two peoples.

7. It is in the basic interests of our two peoples to preserve our solidarity and friendship and to strive jointly for the common goal--i.e., the building of socialism and communism. Over the past decades, the Communist Party, government and people of Vietnam have done their utmost to preserve and consolidate the militant solidarity between the two peoples. Even when the Vietnam-China relationship was undermined by bad elements during the period of the Chinese Cultural Revolution or when it was hindered by the gang of four, the Vietnamese people have always been persistent and unswerving in safeguarding solidarity and friendship with China.

The Chinese Government's decision to cancel 21 projects with complete equipment in Vietnam, including essential projects for our national defence and economy, has forced us to readjust our plan in order to carry out successfully the economic construction and cultural development tasks set by our party.

No matter what difficulties and complications there are in the relations between the two countries, the Vietnamese people will never forget the assistance extended to their revolutionary cause by the Chinese party and government.

Having always held firmly to their line of independence, sovereignty and unswerving solidarity, the Vietnamese Communist Party, government and people are determined to preserve and consolidate the solidarity and friendship between our two peoples who are "both comrades and brothers", a solidarity and friendship painstakingly built up by the Vietnamese Communist Party and President Ho Chi Minh, the Chinese Communist Party and Chairman Mao Tse-tung.

The Government of the Socialist Republic of Vietnam takes this opportunity to renew to the Government of the People's Republic of China the assurances of its high consideration.

Hanoi May 18, 1978.

Note

Addressed by the Government of the People's Republic of China to the Government of the Socialist Republic of Vietnam

To: The Government of the Socialist Republic of Vietnam, Hanoi

The Government of the People's Republic of China presents its compliments to the Government of the Socialist Republic of Vietnam. The Chinese Government acknowledges receipt of the latter's reply dated May 18, 1978. We totally disagree with the unreasonable criticism of the Vietnamese side with regard to our country and wish to expound the following views on the matter.

In its note, the Vietnamese Government made every effort to elude a series of eloquent facts mentioned in the Chinese note of May 12, 1978, fundamentally distorted the truth, even levelled slanderous charges and made criticism against China, in an attempt to have a pretext for entirely shirking its responsibility. That way of confusing right and wrong has in fact surprised everyone. The Chinese Government expresses a oh regret at this fact.

After the sending of the May 12 note by the Chinese Foreign Ministry to the Vietnamese side, the latter, far from stopping its ostracism against Chinese residents, has feverishly intensified it. Up to May 50, the number of Chinese victims of Vietnamese expulsion to China has reached almost 100,000. They have not ceased to be expelled--sometimes 4,000 to 5,000 a day through Lao Cai, Dong Dang, Mong Cai and other localities of Vietnam... It is hard to imagine the plight of Chinese residents, how they are oppressed and persecuted in Vietnam and the suffering they have to endure on their way back to their country.

Developments of the situation have further testified to the fact that Vietnam is deliberately carrying out a policy of discrimination, ostracism, persecution and expulsion against Chinese residents, a policy entirely stemming from its domestic and external requirements and constituting one of the serious steps of the Vietnamese side in undermining the Sino-Vietnamese relationship and in opposing China. The Vietnamese side has resorted to all tricks to compel Chinese residents to leave, then pretended that their departure was caused by so-called "false rumour" spread by bad elements, and even slanderously charged the Chinese side with instigating Chinese residents to return home.

But this justification and denial can fool nobody. With extreme patience, once again the Chinese Government advises the Vietnamese Government to take without delay effective measures to end its acts of large-scale persecution and ostracism against Chinese residents and not to run counter to the Chinese and Vietnamese peoples aspirations, thereby further aggravating the situation and seriously undermining the friendship between the two peoples.

For historical reasons, China has one million and some hundreds of thousands of Chinese residents in Vietnam. After the liberation of North Vietnam in 1955, the Chinese party and the Vietnamese party exchanged views on the question of Chinese residents and confirmed that as the Chinese residents enjoyed the same rights as the Vietnamese people and through a long and persevering process of ideological persuasion and education, Chinese residents in North Vietnam may, on a voluntary basis, gradually be turned into people of Vietnamese nationality. As for the question of Chinese residents in South Vietnam, it will be negotiated by China and Vietnam following the liberation of South Vietnam. This stand of the Chinese side was prompted by the desire to strengthen the fraternal friendship and the relations of friendly cooperation between the Chinese and the Vietnamese peoples; it is also in conformity with our consistent policy to approve and encourage Overseas Chinese to choose the nationality of their country of residence on a voluntary basis.

In the past, the Vietnamese Government agreed with these policies of the Chinese side and supported them. But over the past few years, the Vietnamese Government has on its own brazenly sabotaged the principles discussed by the two parties in 1955 on the question of Chinese residents in Vietnam. In North Vietnam, it has feverishly pursued a policy of discrimination, ostracism and persecution against Chinese residents and compelled them to take up Vietnamese nationality, seriously trampling upon their legitimate rights, depriving many of them of their means of living, driving them into a most difficult position, and making it impossible for them to live. In South Vietnam, it has brazenly followed the proceedings of the reactionary Ngo Dinh Diem administration, and, at variance with its repeatedly and publicly stated position and regulation, it has resorted to the rudest methods to compel Chinese residents to take up Vietnamese nationality; those who refused to do so were mercilessly discriminated [against], persecuted and even repressed.

At present, the serious and nationwide anti-China campaign generated by the Vietnamese side continues expanding. In spite of these grave facts in its note of May 18, 1978, the Vietnamese Government categorically denied them and claimed that it had "correctly abided by this agreement". This has aroused general indignation. It should be clearly pointed out that the Vietnamese side's proceeding is at complete variance with the spirit of the principles agreed upon by the two parties; the Vietnamese side has long ignored and completely undermined the principles confirmed by both the Chinese and Vietnamese sides; decidedly, no rhetoric, however skillful it may be, can cover up this truth.

In its note, the Vietnamese Government has severely criticized and attacked China regarding Chinese aid to Vietnam; this is unimaginable. In a long period of nearly 30 years, in the resistance wars against the French and the United States and in the economic construction of the Vietnamese people, the Chinese people went through hardships and difficulties, shared their means of living, and did not spare even the greatest national sacrifice, to aid the Vietnamese people. Today the Vietnamese Government has resorted to an unusual way of doing and returned evil for good, making it most painful for the Chinese people. We believe the Vietnamese people and justice-loving people the world over find it difficult to understand the attitude of the Vietnamese side.

For many years now, though faced with untold difficulties, China has given Vietnam a great amount of aid with no conditions whatsoever attached and has always considered it a proletarian international obligation to be fulfilled by China. In this connection, the Chinese party, Government and people have nothing to be ashamed of in their conscience. In 1975, after the war in Vietnam ended, the situation in Vietnam went through very great changes. Due to the sabotage by the "gang of four" and successive heavy natural calamities, China had to cope with tremendous difficulties. In spite of such circumstances, China continued to extend to Vietnam a great amount of aid in many fields and within her possibilities to help Vietnam build a great number of projects with complete equipment.

Of course, the yearly amount of aid to Vietnam in peacetime after the war is less than that given in the critical years of war, and this is easy to understand. The Chinese side has repeatedly told the Vietnamese side about its difficulties and hoped that the Chinese people will have a respite and regain strength. Though seriously ill, Premier Chou En-lai personally told Vietnamese comrades: "In wartime when you were faced with the greatest difficulties, we had supplied you with many goods taken from our troops. We had made tremendous efforts to aid you. At present, our aid to Vietnam still ranks first among our aid to foreign countries. You should let us have a respite and regain strength." At that time, the Vietnamese leaders repeatedly expressed their understanding about this fact.

It should also be pointed out that in recent years, China has persistently given aid to Vietnam even though the Vietnamese side had created an unfriendly atmosphere causing the relations between the two countries to deteriorate and unceasingly caused difficulties. In the process of building Chinese-aided projects, often there has been no appropriate cooperation of the Vietnamese side, the delivery of designing materials for which the Vietnamese side is responsible has been late, the sites for the construction of the factories changed many times; the delay caused by the Vietnamese side has constantly affected the building tempo to the extent that the equipment and material prepared by the Chinese side or handed over to the Vietnamese side have been damaged or deteriorated; no longer usable and must be disposed of or subjected to new processing [as received]; Chinese experts came to the construction site and had nothing to do. All this has created many difficulties to the Chinese side in preparing for the construction work and resulted in enormous labour waste and financial losses.

Chinese experts in Vietnam have often been treated in a very unfriendly manner. Yet the Vietnamese Government is now making all kinds of criticisms to China. It has really confused right and wrong and called black white.

At present, the Vietnamese side has ignored the long-standing friendship between the Chinese and Vietnamese peoples. Despite the repeated advice and continuous self-restraint of the Chinese side, it continues to persecute and expel Chinese residents, it has not ceased to escalate its opposition to China, and has taken a series of new grave steps in sabotaging the Sino-Vietnamese relations of friendship. Due to the Vietnamese feverish ostracism, the number of expelled Chinese has further increased by over 50,000 in only 20 days and more, thus creating more financial and material difficulties to China. The Chinese Government is therefore compelled to cancel a number of Chinese complete-factory aid projects to be built for Vietnam together with the money to be used for these projects.

The Chinese Government wishes to reiterate that the Chinese Government and people have always treasured the long-standing friendship between the Chinese and Vietnamese peoples and have made tireless efforts to preserve the Sino-Vietnamese friendship. Today, if the Sino-Vietnamese relations have worsened to such a degree, the responsibility entirely rests with the Vietnamese side. The Vietnamese acts which have unceasingly caused serious harm to the Sino-Vietnamese friendship for the past few years have worried and upset the Chinese side. It has frankly given advice through all channels and in various forms. The Chinese leaders have repeatedly expressed their sincere attitude to the Vietnamese leaders and advised them to stop harming the friendship between the two countries. Far from properly responding to the Chinese side's goodwill, the Vietnamese side has made these relations deteriorate more quickly. Vietnamese leaders have often pledged that they would remain very faithful to President Ho Chi Minh's will to consolidate and develop Sino-Vietnamese friendship. But it is regrettable that what the Vietnamese leaders said does not match their deeds; in fact they have engaged in deliberate acts of sabotage of Sino-Vietnamese friendship. Once again, we would like to advise the Vietnamese leaders to respect the basic interests of the Chinese and Vietnamese peoples and the long-standing friendship between the two peoples and stop ostracising Chinese residents and opposing China.

The Government of the People's Republic of China takes this opportunity to renew to the Government of the Socialist Republic of Vietnam the assurances of its high consideration.

Peking, May 30, 1978

The Government of the People's Republic of China.

Note of the Foreign Ministry of the People's Republic of China, May 12, 1978

To the Embassy of the Socialist Republic of Vietnam in China

The Foreign Ministry of the PRC presents its compliments to the Embassy of the SRV in China and has the honour to express its views regarding the serious situation caused by Vietnam's expulsion of Chinese residents as follows:

First of all, the Chinese Government would like to draw the Vietnamese Government's attention to the fact that at present, the Vietnamese side is ostracising, persecuting, and expelling Chinese residents on an ever-larger scale. The situation has become more and more serious.

Early in 1977, in the northern border provinces, the Vietnamese side began to expel the population of the border area who had come from China and had long settled there. In November 1977, it began expelling Chinese residents in the three provinces of Hoang Lien Son, Lai Chau, and Son La. Particularly since early April 1978, the Vietnamese side has stepped up the expulsion of Chinese residents, extending the area of expulsion to Hanoi, Haiphong, Ha Nam Ninh, Thanh Hoa, etc.

The number of expelled Chinese residents increased rapidly. Within over one month, more than 35,000 have been expelled to China. Now this number has amounted to over 40,000 [A report on this note broadcast by Hanoi Domestic Service in Vietnamese at 1100 G.M. on 17 June renders this figure as "400,000"] and seems to be continuing to increase. It should be pointed out that during the past few years, the Vietnamese side has purposefully applied a policy of discrimination, ostracism, and persecution against Chinese residents. The Vietnamese Government has forced them to take up Vietnamese nationality. For a great many of them, it refused to give them jobs, to admit them to colleges and universities. It even dismissed them from employment, cancelled their residence registration, cut their food ration, etc, making it impossible for them to live a normal life at their place of residence.

Then, the Vietnamese side has in many ways expelled them en masse to China. In many places, Vietnamese security agents, under the pretext of controlling residence registrations, illegally searched their houses, used various means to threaten and intimidate them, and coerced them to leave Vietnam. The expelled Chinese residents are now helpless. They have not enough food and clothes. The greater part of their property, accumulated through so many years of hard work, has been illegally confiscated. The little furniture they can take with them on their way back to China has also been plundered. When they enter China, most of them have nothing left, except for the clothes they are wearing.

The Vietnamese side has been transporting contingents of Chinese residents by train to places near Lao Cai, Hoang Lien Son Province, forcing them to alight and walk tens of kilometers before they can enter China. On their way to the border, they have to experience all kinds of suffering. Some are groundlessly beaten and wounded. Others, old people and children included, are left hungry and sick. Their plight is miserable indeed. Moreover, in Ho Chi Minh City, of late, there has been mass arrests of Chinese residents, some have even been beaten to death or injured.

In Chinese residents have long lived in Vietnam. In close friendship with the Vietnamese people. They have contributed to the Vietnamese people's revolutionary cause, to their resistance war, as well as to their national construction.

Who could expect that they should be so inhumanely persecuted? This is something really intolerable. The Vietnamese side's cruel expulsion of Chinese residents is unprecedented in the relations between socialist countries--it is also rarely seen in ordinary international relations. The Chinese people are deeply pained and greatly angered by these actions. Therefore, the Chinese Government lodges a strong protest to the Vietnamese Government.

The Chinese side has on many occasions dealt with the Vietnamese side on the massive expulsion of Chinese residents--on October 27, 1977, February 6, February 27, and April 6, 1978. It has repeatedly advised the Vietnamese comrades to set great store by the Sino-Vietnamese friendship and to put an end to the persecution and expulsion of Chinese residents.

But, to our great regret, the Vietnamese side considers China's sincere desire to preserve Sino-Vietnamese friendship and to find a satisfactory solution to the question of Chinese residents as a weakness and thinks it can bully China. Far from reducing it in any way, it has stepped up the persecution and expulsion of Chinese residents. It is obviously a serious step taken by the Vietnamese side in undermining the relationship between China and Vietnam, seriously impairing the friendship between the two peoples. Formerly, the Vietnamese comrades had on many occasions said that they "cherished Vietnam-China friendship," that they considered Chinese residents "their brothers and sisters," that they "constantly united with the Chinese residents, helped them and gave them attentive care". The fact is that the Vietnamese comrades say one thing and do another.

Shirking its responsibility for the expulsion of Chinese residents, the Vietnamese side has resorted to many sly manoeuvres. In order to have proof that the Chinese residents "voluntarily" return to their country, Vietnamese security agents forced the expelled persons to write "applications saying that they return to China at their own free will" or to recopy or to re-read prepared texts so that Vietnamese security agents may tape record, photograph, or film them.

In order to cover up the expulsion of Chinese residents, the Vietnamese side always affirms that the Chinese residents' massive return to China is caused by the rumours spread among them. It should be pointed out that it is the Vietnamese authorities and security agents themselves who have spread rumours to deceive and intimidate the Chinese residents, saying that "the Chinese government was calling them back to China," that "war would break out between China and Vietnam," that "those who refused to return were traitors," etc.

A series of irrefutable facts have testified to this wrongdoing. The expulsion of Chinese residents has now become very serious. It is completely due to premeditated Vietnamese actions. The Vietnamese Government cannot elude its responsibility for the expulsion of Chinese residents. Now the Vietnamese side is reversing right and wrong, turning the matter upside down, in the hope of laying the blame on China. But these efforts will be in vain.

In view of the fact that Chinese residents are herded en masse by the Vietnamese side to the Chinese border, the Chinese Government, in keeping with its policy of "protecting the interests of Chinese residents and supporting them" cannot help paying attention to their lives and is compelled to make necessary arrangements for them. By the sudden massive expulsion of Chinese residents, the Vietnamese side has created a lot of difficulties to China and greatly increased the financial and material burden of the Chinese Government. Therefore the Chinese Government is obliged to cut a number of projects for which China is to supply complete equipment and to cut the money that China is to spend for these projects as aid to Vietnam, so as to finance the arrangements for the victimized Chinese residents to work and to live.

The Chinese Government would like to repeat that the Chinese side always deeply treasures the traditional friendship between the Chinese and the Vietnamese peoples. It will perseveringly endeavour to preserve this friendship. The Chinese side is reluctant to see the friendship between the people of China and Vietnam, a friendship that has been built up through the long revolutionary struggle, being continuously impaired. It hopes that the Vietnamese Government will also cherish the revolutionary friendship between the two peoples as the Chinese Government does, and that it will immediately take practical and effective measures to put an end to its absurd actions, discriminating, abstracising, persecuting, and expelling Chinese residents.

The Foreign Ministry of the PRC takes this opportunity to renew to the embassy the assurances of its high consideration.

Peking, May 12, 1978

Foreign Ministry of the PRC.

VNA 'COLLABORATOR' EXAMINES QUESTION OF ETHNIC CHINESE

OW181699Y Hanoi VNA in English 1602 GMT 18 Jun 78 OW

[Text] Hanoi, 18 Jun (VNA)--The affair of the "Hoa"--a generic term designating persons of Chinese descent--is holding the spotlight. Nguyen Khac Vien, a VNA collaborator, examines the question.

Like a thunderclap in a clear sky, the launching of the anti-Vietnam campaign by the Chinese Government in the past few weeks has come as a surprise to world opinion.

Vietnam is accused of persecuting the Hoa, expropriating them and harrassing them into leaving for China. The great concern shown by the Peking authorities to Hoa residents in Vietnam has struck the observers all the more as it contrasts with the complete indifference which the same authorities have shown to the half-million Hoa residing in Kampuchea subjected to the worst tribulations over the past three years. This Hoa community which has been completely decimated has not heard a single word from the Chinese Government, nor seen the latter move a little finger to bring them even moral support. And among the hundreds of thousands of Chinese who had fled the bloody regime in Kampuchea to seek a refuge in Vietnam there are tens of thousands of Hoa who, far from being persecuted, have been able to fully appreciate Vietnamese hospitality.

This hospitality does not date back only to yesterday. For at least twenty centuries, following each peasant revolt or each change of dynasty or a simple natural calamity, Chinese driven to misery or fleeing persecution by an enemy faction would move southward to Vietnam to find asylum. The Sino-Vietnamese border, though stretching over 1,200 kilometres along mountain ranges offers numerous passages because the mountain ranges and streams lie in a northwest-southwest (as received) direction. Many of the refugees came by sea, in particular from the coastal provinces of Kwangtung and Fukien. In North Vietnam, the choice province in Quang Ninh which has 120 kilometres of common border with China and whose coastal plains and offshore islands offer the immigrants great possibilities for settlement.

By the end of the 17th century when the Manchus overthrew the Ming Dynasty, a contingent of several thousand followers of the Ming came to Vietnam by junks and were allowed by the Vietnamese authorities to settle in the south. Another contingent which came in the 18th century was sent to the present region of Ha Tien (Kien Giang Province).

This integration was achieved gradually, the newcomers forming at the start more or less important communities which, while discharging the same obligations and enjoying the same rights as the ethnic Vietnamese, preserved their Chinese customs and habits for a few generations.

In the 13th century, when the Mongols invaded (north) Vietnam the Hoa fought in the ranks of Vietnamese armed forces. In the 18th century, those in the south also fought beside the Vietnamese against Siamese incursions. During the anti-French, then anti-U.S. wars of the resistance, many Hoa joined the army to defend the common homeland.

However, the French conquest brutally halted this process of integration. The colonial administration, applying the "divide and rule" policy, kept the Hoa away from the rest of the population by a special economic and political statute. The purchase of rice from peasants in the Mekong River Delta was entrusted to Chinese traders who resold it to French companies for export, each party pocketing half of the profits. French industrial goods shipped to Vietnam by French companies were resold in retail to the rural population in the south, mostly by Chinese traders.

Politically, the Hoa in some cities were no longer Vietnamese citizens but were entitled to group themselves into an autonomous community whose representatives directly dealt with the colonial administration. The community of Hoa traders who had settled in the 5th and 6th districts (formerly Cholon town) of Saigon (the Chi Minh City) grew considerably with the influx of numerous immigrants driven from China by poverty and political upheavals in the 19th and 20th centuries and finally rose to about 700,000. That is half the present Hoa community in Vietnam.

A minority of Hoa who became compradors enriched themselves through close collaboration with the French colonial firms while the majority consisted of workers, other poor toiling people and small traders. In the north, especially in Quang Ninh Province, a great many Hoa were farmers or sea fishermen...

The injection of American capital and commodities from 1954 to 1975 considerably increased the economic and financial power of the big Hoa capitalists in Saigon. Saigon ministers and generals worked hand in glove with the compradors to share fabulous profits. The more the war escalated, the more these profits grew and the more frantic speculation and trafficking became in Cholon quarters. While the people's blood flowed, enormous fortunes were amassed.

One can understand why the Vietnamese and Hoa capitalist compradors bitterly regretted the departure of U.S. troops and the collapse of the neo-colonial regime. The Hoa working people, for their part, welcomed the restoration of peace and the overthrow of the hated police regime.

In the north, which had been liberated in 1954, as early as 1955 talks between the Chinese and Vietnamese governments led to the following agreement: The management of Hoa residents in Vietnam (belonging to an autonomous administration under the colonial regime) would from then on be entrusted to the Vietnamese Government and the Hoa would gradually become Vietnamese citizens. The Hoa enjoyed the same rights as the Vietnamese, might pursue their university studies and were eligible to all posts in the people's and state bodies and had the right to vote and stand for election.

Following the liberation of the south, the same regime has been applied to the Hoa in the south who in 1955 had opted for Vietnamese citizenship (in order to be able to practise all trades). After liberation a number of them opted for Chinese nationality, declaring themselves overseas nationals of China, not of the People's Republic but of Taiwan, Macao and Hong Kong. These have [been] authorised to return to those territories. The great majority of the Hoa in the south as well as in the north took part in the general elections in 1976 and many Hoa are deputies to the Vietnamese National Assembly.

Thus, one can make this distinction: (1) the Hoa who keep their Chinese nationality and still retain a sociocultural life different from the rest of the Vietnamese; and (2) Vietnamese of Chinese descent completely assimilated for many centuries into the Vietnamese nation, and who can no longer be distinguished from the other Vietnamese.

When one speaks of the Hoa, it is chiefly of the second category. As has been said, they would have for the most part been assimilated, had it not been for a century of the colonial and neo-colonial regime which had impeded this historic process of assimilation.

The complete liberation of Vietnam is creating conditions to carry on this integration smoothly and apparently the problem did not seem to be explosive.

Early this year, however, alarming rumours began to circulate among the Hoa: Vietnam, allied to the Soviet Union, has thus become an enemy of China and is moreover the aggressor against Kampuchea. It would soon be invaded by the Chinese army and a Sino-Soviet war would break out on Vietnamese territory. The intoxication campaign has been well organized and well orchestrated by a network of troublemakers who not only spread rumours but also brandished threats. The Hoa in Vietnam must, according to them, make a choice: either to return to China, where they would be welcomed with solicitude by the motherland; or stay in Vietnam and run the risk of being massacred by the Vietnamese and also by Soviet troops (sic).

Staying back in Vietnam also means to be considered as traitor to the motherland and to be judged as such when Chinese troops come to occupy Vietnam. The only choice possible remained to return to China. One can understand the pain of the Hoa. To leave is to abandon the adoptive homeland where most were born and where they have multiple ties, where China is for many an unknown land--at most some of them did return there from time to time to visit relatives--but to stay means risking death and also the opprobrium of being branded as traitor to the motherland.

While on Vietnamese territory, these alarming rumours were spread by well-trained agents by word-of-mouth. At the border, they were broadcast daily by local Chinese authorities through a system of loudspeakers installed opposite Vietnamese villages and townships, openly inciting the Hoa to return to China. This campaign struck a sort of panic among the Hoa, especially in border areas or on offshore islands. Beginning in March, thousands abandoned their fields and houses to return post haste to China, the ones by land and the others by sea (as received).

It was agreed as early as 1961 between the Vietnamese and Chinese governments that the Hoa who wished to return to China to visit their relatives would go with Vietnamese identity cards and due permits from the Vietnamese authorities, the Chinese Embassy in Hanoi having agreed to issue them a Chinese pass instead of a passport since they do not have Chinese nationality.

But now thousands of Hoa are returning to China without asking permission from the Vietnamese authorities. And then the Chinese Embassy in Hanoi, without notifying the Vietnamese administration in any way, announced to the Hoa that those who so desired would get a passport from the embassy to return to China. Then, over the Chinese radio, television and newspapers, a campaign of unusual violence was launched, accusing Vietnam of persecuting and expelling Hoa people, a campaign obviously designed to arouse a ferocious hatred of the Chinese people against the Vietnamese people. This campaign has redoubled in violence since the end of March through April when the Vietnamese Government undertook the transformation of capitalist trade in southern Vietnam.

This measure brings the big traders who in the past three years, taking advantage of shortages, had enriched themselves enormously through trafficking and speculation. To stop their trading activities, their goods were repurchased by the state and their capital thus obtained will have to be used to open productive establishments. As for the trader, he may become owner of a small handicraft, industrial or agricultural enterprise.

This measure is applied indiscriminately to all big traders, be they Vietnamese or Hoa. It seems paradoxical that a government which calls itself socialist has come to the point of defending capitalist traders, but these are the facts.

Meanwhile, under the impact of threats, the exodus of Hoa people, especially in the border provinces, continues. The Vietnamese Government, taking care not to drop more fuel on the fire, and having until then done its best to preserve the ties of friendship between the Vietnamese and Chinese peoples, did not say a word yet. But after the central government in Peking openly accused Vietnam of "ostracising, persecuting and expelling" Hoa people, of robbing them of all property, when, moreover, the Chinese authorities, without even taking the trouble to inform the Vietnamese authorities, took the unilateral decision to send ships to Vietnamese ports to pick up Hoa people who wanted to return to China, things must be made clear. The Vietnamese stance is founded on these well defined principles:

--Reaffirmation of the Vietnamese Government's will to always consider the Hoa as full Vietnamese citizens, without any discrimination. Thus, the Hoa may in all quietude continue to live in Vietnam as before. Those who wish to return to China have only to go through the required procedures to obtain in due form the authorisation to leave, and they may take their property with them in conformity with Vietnamese law.

--Permission to Chinese ships to enter Vietnamese ports as from June 20 to pick up the Hoa, on condition that they comply with all procedures and regulations in force in Vietnam concerning the entry of foreign ships.

--Proposal that talks be held between the two governments to solve outstanding questions and to cease all hostile propaganda, the essential thing being to preserve the traditional friendship between the two peoples.

However, to these offers for talks, the Chinese Government has put a plea in bar and continued its offensive, announced the cessation of economic aid to Vietnam for almost all projects under construction and the withdrawal of Chinese specialists.

--One can surmise at length about the Chinese Government's real intentions toward Vietnam, but even now some points have become evident.

--The interests of the Hoa residing in Vietnam do by no means motivate the actions of the Peking government.

--The Peking government is not at all bent on repatriating the million and a half Hoa in Vietnam. The operation is but a pretext for other actions aimed--to say the least--at blocking the reconstruction in Vietnam as much as possible.

KYODO REPORTS CHINESE RESIDENTS ALLOWED TO RETURN TO TAIWAN

OW170422Y Tokyo KYODO in English 0402 GMT 17 Jun 78 OW

[Text] Peking, 17 Jun (KYODO)--Vietnam has granted exit permits to hundreds of ethnic Chinese wishing to return to Taiwan--a move that may confound the already-strained relations between Peking and Hanoi, diplomatic sources here said Friday.

The sources quoted a Vietnamese diplomat stationed in Peking as saying that Hanoi had decided to allow Hoa (Chinese) people in Vietnam to return to Taiwan. The diplomat was quoted as saying that Chinese who had obtained exit permits were mostly holders of passports issued by the Nationalist Chinese Government. Some of them have already returned to Taiwan via Bangkok, he added.

This was the first confirmation by a Vietnamese official of reports that Chinese residents in Vietnam were returning to Taiwan. Taipei has no diplomatic ties with Hanoi. The sources put the number of Chinese who already returned to Taiwan at "hundreds" and said Vietnam and Taiwan had presumably had diplomatic contact, either formal or informal, on the question of Chinese residents.

Vietnamese Embassy officials in Peking said that talks had just begun in Hanoi on repatriation of Chinese residents in Vietnam. The officials added that the two Chinese ships sent to pick up Chinese would be allowed to enter Ho Chi Minh or Haiphong after undergoing formal procedures in designated Vietnamese waters.

HO CHI MINH CITY MEETINGS DISCUSS COMMUNIQUE ON ETHNIC CHINESE VISAS

BK180618Y Ho Chi Minh City Domestic Service in Vietnamese 0200 GMT 18 Jun 78 BK

[Text] On the morning of 15 June, various precincts in Ho Chi Minh City held meetings to discuss the maintenance of security and order in the city following the issuance of a communique by the city people's committee on application by Hoa people for exist visas to return to the PRC.

A great number of Hoa people attended these meetings. At a meeting in the 6th precinct, Mr (Viet Trung), worker at the plastic enterprise No 3, stated: The communiques of the Ministry of Interior and the city people's committee clearly prove that the Vietnamese Government is filled with good will to solve the question of the Hoa people in Vietnam--a question raised by the PRC authorities. Conversely, in a statement issued on 9 June, the PRC authorities did not express any proof of their good will regarding this matter. This clearly proves that the PRC authorities have adopted an attitude and carried out actions not in the interests of the great majority of the Hoa laborers, but aimed only creating difficulties for Vietnamese national construction. On the basis of the working class stand, I earnestly hope that the brother and sister Hoa workers and laborers, in the interests of their own livelihood and that of their families, will clear-sightedly choose the right path so as to avoid creating suffering for themselves and harming the future of their children, having lived for a long time in Vietnam together with the Vietnamese people who are inherently hospitable, love the Hoa people and consider them as their own relatives.

Brother (Pham Duc Hiep), a youth in the 12th urban ward in the 6th precinct, said: Once again, the bad people have exposed their hypocritical face. With the state's decision, no matter how they may be exploited by the bad people, the Hoa people certainly can perceive the good will of the Vietnamese state. It is certain that the Hoa people who have honestly earned a living in Vietnam for a long time will not let themselves be deceived by the bad people.

At these meetings, all participants condemned the overbearing attitude of the PRC authorities who are absolutely without good will in solving the question of the Hoa people--a question which they themselves have raised.

JUAN CARLOS VISIT TO PRC SHOWS INCREASED PRC-WESTERN TIES

BK181328Y Hanoi Domestic Service in Vietnamese 1100 GMT 18 Jun 78 BK

[Excerpts] According to NCNA, on 16 June Spanish King Juan Carlos visited the PRC at the invitation of the PRC Government. At a banquet held in Peking in honor of Juan Carlos, Vice Premier Teng Hsiao-ping said: The visit by Juan Carlos will contribute another shining page to the history of relations between the PRC and Spain and will also greatly contribute to the development of relations between the two nations. According to public opinion, this is additional evidence that the PRC is increasing its friendly ties with Western nations.

HUANG HUA, OTHER RECENT TRIPS SHOW PRC COLLUSION WITH CAPITALISTS

BK181108Y Hanoi Domestic Service in Vietnamese 0530 GMT 18 Jun 78 BK

[Text] According to NCNA, following his visits to Zaire and Turkey, on 15 June Chinese Foreign Minister Huang Hua arrived in Iran.

In a statement delivered to newsmen at the Teheran airport, Foreign Minister Huang Hua praised the close relationship between the two countries and called for more efforts to further promote the agreements on cooperation between China and Iran.

AFP on 16 June says that this visit by Foreign Minister Huang Hua is primarily aimed at increasing the presence of China in the Persian Gulf and Arab Peninsula.

Also according to a foreign source, on 15 June a military delegation led by General Chih Hoa-tien, deputy chief of staff of the Chinese People's Liberation Army, arrived in Zurich, Switzerland, before going on to some African countries. In Zaire, the Chinese military delegation negotiated the supply of Chinese military techniques to Zaire.

Meanwhile, another Chinese military delegation led by Yang Yung and Li Kuang-hsing arrived in Yugoslavia and on 17 June another delegation came to Great Britain.

In early June, a Chinese military delegation led by general Chang Ai-ping, deputy chief of staff of the Chinese People's Liberation Army visited France, Switzerland and Italy.

Through China's diplomatic and military activities abroad, one can see that China is cooperating with many capitalist and reactionary countries in Western Europe, Africa and the Middle East.

LATE REPORT: PRC SHIP VISITS LINKED TO USS ENTERPRISE

BK191024Y Hanoi Domestic Service in Vietnamese 0530 GMT 19 Jun 78 BK

[Text] According to Western sources, the United States has sent the aircraft carrier Enterprise to Hong Kong precisely at the time the PRC dispatched its ships to Vietnam to repatriate Chinese sailors.

On 13 June, six PRC newsmen were among 150 press representatives in Hong Kong who were invited to visit the nuclear-powered aircraft carrier Enterprise which was moored just off Victoria port. An official of the U.S. Consulate said: The six NCNA newsmen are the largest group of newsmen of Communist China--and maybe the first--to have visited this U.S. aircraft carrier worth \$440 million. This U.S. official said: Except for drunk people and fist-fights at the port, no big events have occurred since this aircraft carrier and the three ships escorting it arrived here on 12 June on a 6-day visit.

A number of foreign news agencies have commented on this as follows: The commanders of U.S. nuclear-powered war vessels have been accustomed to being the objects of vehement protests by local people when these war vessels docked in Asian countries. However, these war vessels have been acclaimed this time by the PRC Government's representatives. The NCNA cadres also surreptitiously concealed themselves on board the aircraft carrier Enterprise and took more photos. Western news agencies hold that this is further proof of Peking's approval of the U.S. military presence in Southeast Asia.

SOVIET AMBASSADOR VISITS IRIAN JAYA PROVINCE

BK171230Y Jakarta ANTARA in English 0714 GMT 17 Jun 78 BK

[Text] Jayapura, 17 Jun (ANTARA)--USSR Ambassador I.P. Shpedko, in the company of Second Secretary V.J. Plotnikov, recently visited this Irian Jaya province and was received by acting Deputy Governor Elias Paprindey and civilian and military authorities at the governor's office here.

The ambassador said his visit was in the framework of fostering friendship and cooperation between the Soviet Union and the Indonesian Government. He assessed development in Irian Jaya as having yielded positive results. Elias Paprindey hoped that the ambassador's visit would be another step forward toward improving relations between the two countries.

AFP SPECULATES ON IMPROVEMENT IN RELATIONS WITH USSR

BK171232Y Hong Kong AFP in English 1212 GMT 17 Jun 78 BK

[Text] Jakarta, 17 Jun (AFP)--Indonesia appeared today more interested in fostering her relations with the Soviet Union after the recent Indonesia Government's rebuff to direct trade links with China.

As Indonesia's readiness to normalize relations with China went through ups and downs during the past few weeks, a fresh interest for an increased cooperation with the Soviet Union has been observed in two opportunities.

A just ended visit by the Soviet ambassador to Indonesia, Ivan Shpedko, to the remote province of West Irian was reported here Saturday with some emphasis, 3 days after it was announced in Jakarta that a delegation of the Indonesian Chamber of Commerce and Industry (Bakin) will shortly visit the Soviet Union.

ANTARA news agency quoted the Soviet ambassador in a report from the capital of West Irian, Jayapura, as stating that his visit was "in the framework of fostering friendship and cooperation between the Soviet Union and the Indonesian Government."

Ambassador Shpedko assessed development as having yielded positive results in West Irian where nine Indonesian officials including the Jayapura military commander were reported to have been kidnaped last month and are believed to be still held by guerrillas from the Free Papua Movement.

During the visit of the Soviet ambassador, the acting deputy governor of West Irian, Elias Paprindey, expressed the hope "this visit would be another step forward toward improving relations between the two countries," at a reception attended by provincial civilian and military authorities, ANTARA reported. The purpose of the announced visit of an Indonesian Chamber of Commerce delegation to the Soviet Union will be "to explore the possibilities for expanding trade between the two countries," the reports said.

In 1977, trade volume between Indonesia and the Soviet Union totalled \$45 million, including \$11 million worth of Soviet exports and \$34 million worth of imports from Indonesia. The same Chamber of Commerce and Industry last month concluded in Peking a verbal agreement for reestablishing direct trade links between Indonesia and the People's Republic of China with which relations were frozen since 1967.

But when the delegation of the Chamber of Commerce came back to Jakarta, the Indonesian Government disapproved the move and decided to maintain trade relations with China through Singapore and Hong Kong. Observers believed that direct trade would have jeopardized the interests of powerful Indonesian businessmen having accomplices in the government apparatus.

The Indonesian Government's decision not to trade directly with China was believed to imply fresh delay in normalizing relations with Peking. A plan to restore relations with the People's Republic of China had been announced last March by President Suharto before the Indonesian congress.

KOMPAS VIEWS ASEAN-INDOCHINA RELATIONSHIP

BK181014Y Jakarta Domestic Service in Indonesian 2300 GMT 17 Jun 78 BK

[Text] KOMPAS, in its editorial, comments on the problems of ASEAN and Indochina. The ASEAN foreign ministers, who are meeting in Phatthaya, have expressed their concern over the impact of the Indochina conflict on the security of Southeast Asia. Singapore Foreign Minister Sinnathamby Rajaratnam saw this as an exploratory attempt in developments in this region, especially in view of the involvement of the Soviet Union and the People's Republic of China.

According to KOMPAS, the Indochina conflict has helped encourage the countries of that region to improve their relations with other Southeast Asian countries, particularly ASEAN countries, either bilaterally or on the basis of ASEAN collectivity. The change of attitude shown by Vietnam, and lately by Cambodia, toward ASEAN as individual countries or as a collective organization, is a strong indication of this trend. In view of this, KOMPAS maintains that ASEAN should remain consistent in its policy and continue to offer the hand of friendship and cooperation while refraining from interfering in Indochina conflicts. It is also desirable for ASEAN countries to seek a common approach, for example in the economic field, to carry out cooperation with the Indochina countries alongside the already existing diplomatic relations.

Touching particularly on the interests of the Soviet Union and the People's Republic of China, which could force an open conflict in this region, KOMPAS urges ASEAN or other Southeast Asian countries to remain in a position to protect and maintain the stability and security of their respective countries.

BRIEFS

TURKISH AMBASSADOR--Jakarta, 15 Jun (ANTARA)--The Government of Indonesia has approved the nomination of Huk Kocaman as the new Turkish ambassador. [Jakarta ANTARA in English 0708 GMT 15 Jun 78 BK]

MICROWAVE NETWORK--President Suharto this morning held a telephone conversation with Bali Governor Sukarmen, marking the opening of a microwave network for the southern part of East Indonesia. The call was between Ujungpandang and Bali. [Jakarta Domestic Service in Indonesian 0700 GMT 16 Jun 78 BK]

DUTCH ROYALTY--Denpasar, 15 Jun (ANTARA)--Dutch Princess Beatrix and Prince Clauss left Bali Wednesday morning for home after staying for 14 hours on the island. At the international airport they were seen off by Bali Governor Sukarmen, the provincial military commander and Dutch Defence Attache Col J. Linzel. [Jakarta ANTARA in English 0716 GMT 15 Jun 78 BK]

MARCOS 18 JUNE COMMENT ON NEW YORK POLICE INCIDENT

OW181025Y Hong Kong AFP in English 1007 GMT 18 Jun 78 OW

[Text] Manila, 18 Jun (AFP)--President and Prime Minister Ferdinand Marcos said today the New York Police invasion of a Philippine diplomatic mission would not help in maintaining friendship between the U.S. and the Philippines.

This was so he said because the June 11 incident at the Philippine Consulate and UN Mission where two staff members were pistol-whipped "and the events arising from it affect the honor and good name of the Republic of the Philippines and its people...."

Replying to written queries by newsmen on whether last week's police break-in would affect negotiations between Washington and Manila on the future use of the U.S. Clark air and subic naval bases, Mr Marcos noted "there is, of course, no connection between the two matters." "But since the first incident and the events arising from it affect the honor and good name of the Republic of the Philippines and its people, it certainly will not help those who are trying to maintain friendship (?between) the Philippines and the United States," he added.

The U.S. Government has formally apologized to the government here over the case after the Philippines protested what it described as "brutal and unprovoked" attack by American police into the mission while allegedly in pursuit of Filipino street brawlers.

Romulo 17 June Statement

BK170800Y BANGKOK WORLD in English 17 Jun 78 p 1 BK

[Text] Phatthaya--Philippines Minister of Foreign Affairs Gen Carlos P. Romulo this morning issued a scathing press statement rejecting the New York police version of an incident in New York on Sunday [June 11] night when police entered a Philippine diplomatic mission and arrested two persons inside.

The New York police have already expressed regrets for the incident and claimed that it was carried out in "hot pursuit" of persons creating a disturbance outside the mission.

Gen Romulo's Statement Said: "On behalf of the Philippine Government and in my capacity as minister of foreign affairs, I protest in the strongest possible terms the illegal and unprovoked assault on several staff members of the Philippine Consulate by the police of New York City on June 11, 1978.

"For unexplained reasons, a group of police officers, both uniformed and in plain clothes, committed the following serious offences against the property and personnel of the two Philippine Government offices located at the Philippine Centre on Fifth Avenue:

- "1. Forced open the doors of the centre without a search warrant;
- "2. Unwarranted search of the premises of the Philippine Mission and of the Philippine Consulate;
- "3. Handcuffed and pistol-whipped the security guard and another staff member;
- "4. Detained without formal charges the same staff members at a New York City police station.

"These acts of brutality cannot be condoned under any circumstances. On legal grounds, they are a patent violation of the Vienna convention on the sanctity of diplomatic and consular missions. This is not a mere act of trespass but a denigration of Philippine sovereignty in accordance with commonly accepted international agreements.

"On human grounds, these constitute a gross violation of human dignity, reminiscent of the infamous Ku Klux Klan and the rednecks of the civil rights demonstration of the sixties. It would seem that the shame of American civilisation which it has taken years to erase has returned with a vengeance. I find it particularly ironic that this pernicious crime against human dignity should occur at a time when the United States has proclaimed itself the champion of human rights everywhere.

"I invite Ms Pat Derian, that self-appointed messiah of human rights, to a brief exercise in self-examination and humbly repeat to herself the ancient Christian injunction: He who is without sin amongst you, let him cast the first stone.

"The Philippine Government is not disposed to accept anything less than redress for these grave acts of malice and cruelty against members of its diplomatic and consular staff in New York, and demands punitive action against the hoodlums dressed in police uniforms. The New York police version of the incident is completely unacceptable to us."

ROMULO DISCUSSES ASEAN MEETING WITH JOURNALISTS

OW181141Y Hong Kong APP in English 0918 GMT 18 Jun 78 OW

[Excerpt] Manila, 18 Jun (AFP)--Foreign Minister Carlos Romulo of the Philippines today warned that the growing Indochinese refugee problem if left unsolved could escalate into a Palestinian-type problem. Gen Romulo talked with airport newsmen upon arrival from Phatthaya, Thailand, where he attended the just-concluded 11th ministers meeting of the five-nation Association of Southeast Asian Nations (ASEAN). "Few people realize how serious this is," said the minister, and "if we allow this to remain unimpeded and unsolved, we are going to have a refugee problem that will later escalate to a Palestinian problem."

Gen Romulo said the ASEAN viewed with "grave concern" the conflicts between Vietnam and Cambodia on one hand and between Vietnam and People's China on the other, which he described as "destabilizing factors in the region." It is the association's hope, he added, that the feuds "will be negotiated and settled amicably and peacefully."

"Even more disquieting is the possibility that these two conflicts could bring out into the open the latent Sino-Soviet rivalry and turn the whole of Asia into an arena of major power confrontation," Minister Romulo said in a prepared statement. The Sino-Soviet rivalry if brought into the open "will have disastrous consequences," Minister Romulo told newsmen. "We don't want our region to be converted into another Africa" in order to prevent "untold troubles," he said.

The statement said last week's conference voiced disappointment and concern at the slow pace in the setting up of the ASEAN common fund, as well as the resurgence of protectionist tendencies in international trade among the developed states. Describing the ministers meeting with Japan's Foreign Minister Sunao Sonoda as "very fruitful," Minister Romulo said the ministers expressed to him the view that "without us (ASEAN), Japan will be left alone."

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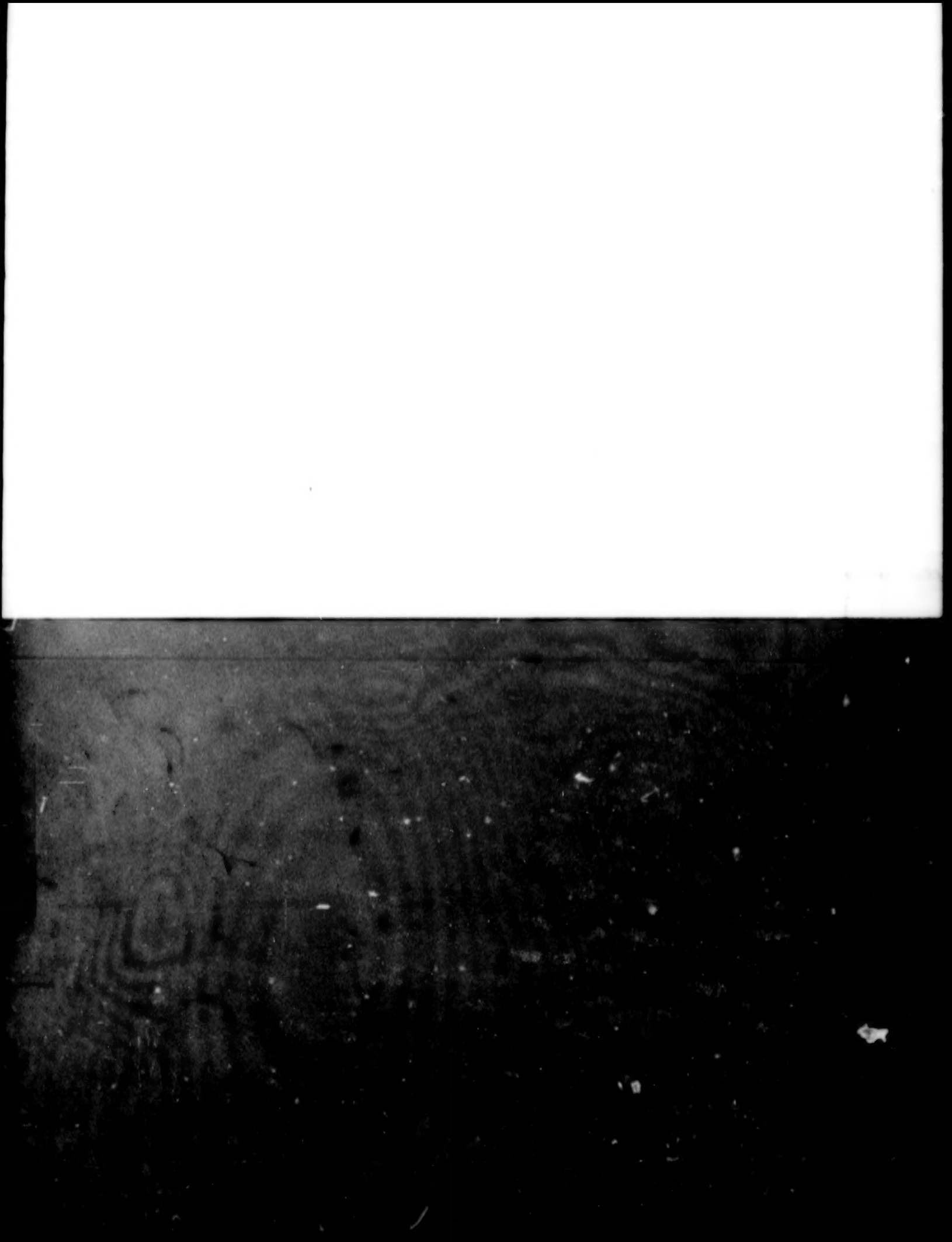
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